Audited Financial Statements and Other Financial Information

Town of Turner, Maine

June 30, 2018

Proven Expertise and Integrity
TOWN OF TURNER, MAINE

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JUNE 30, 2018

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INDEPENDENT AUDITORS’ REPORT

Board of Selectmen
Town of Turner
Turner, Maine

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Town of Turner, Maine as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Town’s basic financial statements as listed in the table of contents.

Management’s Responsibility for the Financial Statements

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

Auditors’ Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America issued by the Comptroller General of the United States and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. 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, business-type activities, each major fund and the aggregate remaining fund information of the Town of Turner, Maine as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis and budgetary comparison information on pages 4 through 11 and 41 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Turner, 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.

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 the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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 June 21, 2019, on our consideration of the Town of Turner, Maine’s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is 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 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 Turner, Maine’s internal control over financial reporting and compliance.

RHS Smith & Company

Buxton, Maine
June 21, 2019
The following management’s discussion and analysis of Town of Turner, Maine’s financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2018. Please read it in conjunction with the Town's financial statements.

Financial Statement Overview

The Town of Turner, Maine’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 separate columns for the two different types of Town activities. The types of activities presented for the Town of Turner are:

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

- **Business-type activities** – These activities are normally intended to recover all or a significant portion of their costs through user fees and / or charges to external users for goods and/or services. These activities for the Town of Turner include the unemployment fund.

### 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 Turner, Maine, 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 Turner, Maine can be divided into two categories: governmental funds and proprietary funds.

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

Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government’s near-term financing decisions. Both the governmental 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 Turner, Maine presents two 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 fund is the general fund. All other funds are shown as nonmajor and are combined in the "Other Governmental Funds" column on these statements.

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

Proprietary Funds: The Town of Turner, Maine maintains one proprietary fund, the unemployment fund. This fund is used to show activities that operate more like those of commercial enterprises. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Like the government-wide financial statements, proprietary fund financial statements use the accrual basis of accounting. No reconciliation is needed between the government-wide financial statements for business-type activities and the proprietary fund financial statements.

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 Statement of Cash Flows - Proprietary Funds.

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 and business-type activities. The Town's total net position for governmental activities increased by $13,604 from $6,489,607 to $6,503,211. The Town's total net position for business-type activities increased by $21 from $5,441 to $5,462.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements - increased for governmental activities to a balance of $2,732,056 at the end of this year. Unrestricted net position for business-type activities increased to a balance of $5,462.

Table 1
Town of Turner, Maine
Net Position
June 30,

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<th></th>
<th>Governmental Activities</th>
<th>Business-Type Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2018</td>
<td>2017</td>
</tr>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash Assets</td>
<td>$ 3,034,356</td>
<td>$ 2,911,449</td>
</tr>
<tr>
<td>Capital Assets</td>
<td>3,630,618</td>
<td>3,778,235</td>
</tr>
<tr>
<td>Total Assets</td>
<td>6,664,974</td>
<td>6,689,684</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Liabilities</td>
<td>108,595</td>
<td>173,022</td>
</tr>
<tr>
<td>Long-term Debt Outstanding</td>
<td>18,049</td>
<td>17,654</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>126,644</td>
<td>190,676</td>
</tr>
<tr>
<td><strong>Deferred Inflows of Resources</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prepaid Taxes</td>
<td>35,119</td>
<td>9,401</td>
</tr>
<tr>
<td>Total Deferred Inflows of Resources</td>
<td>35,119</td>
<td>9,401</td>
</tr>
<tr>
<td><strong>Net Position</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Investment in Capital Assets</td>
<td>3,629,776</td>
<td>3,776,738</td>
</tr>
<tr>
<td>Restricted: Nonspendable Principal</td>
<td>38,256</td>
<td>38,256</td>
</tr>
<tr>
<td>Restricted: Permanent Funds</td>
<td>103,123</td>
<td>100,752</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>2,732,056</td>
<td>2,573,861</td>
</tr>
<tr>
<td>Total Net Position</td>
<td>$ 6,503,211</td>
<td>$ 6,489,607</td>
</tr>
</tbody>
</table>
Table 2  
Town of Turner, Maine  
Change in Net Position  
For the Years Ended June 30,

<table>
<thead>
<tr>
<th></th>
<th>Governmental Activities</th>
<th>Business-Type Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2018</td>
<td>2017</td>
</tr>
<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>$ 375,340</td>
<td>$ 484,545</td>
</tr>
<tr>
<td>Operating grants and contributions</td>
<td>$ 83,600</td>
<td>$ 83,301</td>
</tr>
<tr>
<td>General revenues:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes</td>
<td>7,835,532</td>
<td>7,763,108</td>
</tr>
<tr>
<td>Grants and contributions not restricted to specific programs</td>
<td>713,539</td>
<td>389,708</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>150,865</td>
<td>79,824</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>9,158,876</td>
<td>8,800,486</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General government</td>
<td>412,141</td>
<td>417,884</td>
</tr>
<tr>
<td>Public safety</td>
<td>690,134</td>
<td>676,997</td>
</tr>
<tr>
<td>Public works</td>
<td>1,197,724</td>
<td>1,204,835</td>
</tr>
<tr>
<td>Human services</td>
<td>16,299</td>
<td>21,773</td>
</tr>
<tr>
<td>Culture and recreation</td>
<td>92,046</td>
<td>80,735</td>
</tr>
<tr>
<td>Health and sanitation</td>
<td>225,928</td>
<td>206,050</td>
</tr>
<tr>
<td>Education</td>
<td>5,871,054</td>
<td>5,606,866</td>
</tr>
<tr>
<td>County tax</td>
<td>550,980</td>
<td>517,320</td>
</tr>
<tr>
<td>Unclassified</td>
<td>88,966</td>
<td>99,356</td>
</tr>
<tr>
<td>Unemployment</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>9,145,272</td>
<td>8,831,816</td>
</tr>
<tr>
<td><strong>Change in Net Position</strong></td>
<td>13,604</td>
<td>(31,330)</td>
</tr>
<tr>
<td>Net Position - July 1</td>
<td>6,489,607</td>
<td>6,520,937</td>
</tr>
<tr>
<td>Net Position - June 30</td>
<td>$ 6,503,211</td>
<td>$ 6,489,607</td>
</tr>
</tbody>
</table>
Revenues and Expenses

Revenues for the Town's governmental activities increased by 4.07%, while total expenses increased by 3.55%. For the business-type activities revenues decreased 19.23% from the prior year. Expenses decreased significantly from the prior year.

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 Turner, Maine**
Fund Balances - Governmental Funds
June 30,

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nonspendable</td>
<td>-$1,181</td>
<td>$1,181</td>
</tr>
<tr>
<td>Committed</td>
<td>$5,865</td>
<td>-$</td>
</tr>
<tr>
<td>Assigned</td>
<td>$400,000</td>
<td>$325,000</td>
</tr>
<tr>
<td>Unassigned</td>
<td>$1,663,675</td>
<td>$1,686,922</td>
</tr>
<tr>
<td>Total General Fund</td>
<td>$2,069,540</td>
<td>$2,013,103</td>
</tr>
<tr>
<td>Nonmajor Funds:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special Revenue Funds:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assigned</td>
<td>$59,982</td>
<td>$67,936</td>
</tr>
<tr>
<td>Capital Projects Funds:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Committed</td>
<td>$422,815</td>
<td>$324,920</td>
</tr>
<tr>
<td>Unassigned</td>
<td>(4,996)</td>
<td>(1,756)</td>
</tr>
<tr>
<td>Permanent Funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nonspendable</td>
<td>$38,256</td>
<td>$38,256</td>
</tr>
<tr>
<td>Restricted</td>
<td>$103,123</td>
<td>$100,752</td>
</tr>
<tr>
<td>Total Nonmajor Funds</td>
<td>$619,180</td>
<td>$530,108</td>
</tr>
</tbody>
</table>

The general fund total fund balance increased by $56,437 over the prior fiscal year as a result of revenues that exceeded expenditures and transfers out. The nonmajor funds total fund balances increased by $89,072 from the prior fiscal year due to transfers from the general fund.
Proprietary funds: The Town’s proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The unemployment fund had a change in net position of $21 for the year ended June 30, 2018.

Budgetary Highlights

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

The general fund actual revenues exceeded budget by $286,558. This was mainly the result of receipts over budget in excise taxes, state revenue sharing, other intergovernmental revenues and miscellaneous revenues.

The general fund actual expenditures were under the budget by $69,879. All expenditure categories were within or under budget with the exception of public works and health and sanitation.

Capital Asset and Debt Administration

Capital Assets

As of June 30, 2018, the net book value of capital assets recorded by the Town decreased by $147,617 from the prior year. The decrease is the result of current year acquisitions of $111,644 less net disposals of $6,990 and current year depreciation expense of $252,271.

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

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land and non-depreciable assets</td>
<td>$ 276,045</td>
<td>$ 276,045</td>
</tr>
<tr>
<td>Buildings, building improvements and land improvements</td>
<td>907,896</td>
<td>945,824</td>
</tr>
<tr>
<td>Machinery, equipment and vehicles</td>
<td>927,193</td>
<td>970,530</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>1,519,484</td>
<td>1,585,836</td>
</tr>
<tr>
<td>Total</td>
<td>$ 3,630,618</td>
<td>$ 3,778,235</td>
</tr>
</tbody>
</table>
Debt

At June 30, 2018, the Town had $842 in capital leases outstanding versus $1,497 last year. Other obligations include accrued compensated absences. Refer to Note 5 of Notes to Financial Statements for more detailed information.

Currently Known Facts, Decisions, or Conditions

Economic Factors and Next Year's Budgets and Rates

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

Contacting the Town's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, the Treasurer for the Town of Turner can be reached at 11 Turner Center Road, Turner, Maine 04282.


<table>
<thead>
<tr>
<th></th>
<th>Governmental Activities</th>
<th>Business-type Activities</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assets:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$ 2,469,999</td>
<td>$ 5,462</td>
<td>$ 2,475,461</td>
</tr>
<tr>
<td>Investments</td>
<td>208,340</td>
<td>-</td>
<td>208,340</td>
</tr>
<tr>
<td>Accounts receivable (net of allowance for uncollectibles):</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes</td>
<td>14,361</td>
<td>-</td>
<td>14,361</td>
</tr>
<tr>
<td>Liens</td>
<td>234,547</td>
<td>-</td>
<td>234,547</td>
</tr>
<tr>
<td>Other</td>
<td>61,739</td>
<td>-</td>
<td>61,739</td>
</tr>
<tr>
<td>Due from other governments</td>
<td>45,370</td>
<td>-</td>
<td>45,370</td>
</tr>
<tr>
<td>Total current assets</td>
<td>3,034,356</td>
<td>5,462</td>
<td>3,039,818</td>
</tr>
<tr>
<td>Noncurrent assets:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital assets:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land and other assets not being depreciated</td>
<td>276,045</td>
<td>-</td>
<td>276,045</td>
</tr>
<tr>
<td>Buildings and vehicles net of accumulated depreciation</td>
<td>3,354,573</td>
<td>-</td>
<td>3,354,573</td>
</tr>
<tr>
<td>Total noncurrent assets</td>
<td>3,630,618</td>
<td>-</td>
<td>3,630,618</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>$ 6,664,974</td>
<td>$ 5,462</td>
<td>$ 6,670,436</td>
</tr>
<tr>
<td><strong>LIABILITIES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current liabilities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>$ 70,126</td>
<td>-</td>
<td>70,126</td>
</tr>
<tr>
<td>Escrows</td>
<td>19,573</td>
<td>-</td>
<td>19,573</td>
</tr>
<tr>
<td>Accrued payroll</td>
<td>15,410</td>
<td>-</td>
<td>15,410</td>
</tr>
<tr>
<td>Due to other governments</td>
<td>1,885</td>
<td>-</td>
<td>1,885</td>
</tr>
<tr>
<td>Current portion of long-term obligations</td>
<td>1,601</td>
<td>-</td>
<td>1,601</td>
</tr>
<tr>
<td>Total current liabilities</td>
<td>108,595</td>
<td>-</td>
<td>108,595</td>
</tr>
<tr>
<td>Noncurrent liabilities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Noncurrent portion of long-term obligations:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital leases payable</td>
<td>181</td>
<td>-</td>
<td>181</td>
</tr>
<tr>
<td>Accrued compensated absences</td>
<td>17,868</td>
<td>-</td>
<td>17,868</td>
</tr>
<tr>
<td>Total noncurrent liabilities</td>
<td>18,049</td>
<td>-</td>
<td>18,049</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td>126,644</td>
<td>-</td>
<td>126,644</td>
</tr>
<tr>
<td><strong>DEFERRED INFLOWS OF RESOURCES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prepaid taxes</td>
<td>35,119</td>
<td>-</td>
<td>35,119</td>
</tr>
<tr>
<td><strong>TOTAL DEFERRED INFLOWS OF RESOURCES</strong></td>
<td></td>
<td></td>
<td>35,119</td>
</tr>
<tr>
<td><strong>NET POSITION</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net investment in capital assets</td>
<td>3,629,776</td>
<td>-</td>
<td>3,629,776</td>
</tr>
<tr>
<td>Restricted - nonspendable principal</td>
<td>38,256</td>
<td>-</td>
<td>38,256</td>
</tr>
<tr>
<td>Restricted for: Permanent Funds</td>
<td>103,123</td>
<td>-</td>
<td>103,123</td>
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<tr>
<td>Unrestricted</td>
<td>2,732,056</td>
<td>5,462</td>
<td>2,737,518</td>
</tr>
<tr>
<td><strong>TOTAL NET POSITION</strong></td>
<td>6,503,211</td>
<td>5,462</td>
<td>6,508,673</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</strong></td>
<td>$ 6,664,974</td>
<td>$ 5,462</td>
<td>$ 6,670,436</td>
</tr>
</tbody>
</table>

See accompanying independent auditors' report and notes to financial statements.
TOWN OF TURNER, MAINE

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

<table>
<thead>
<tr>
<th>Functions/Programs</th>
<th>Expenses</th>
<th>Operating Charges for Services</th>
<th>Grants &amp; Contributions</th>
<th>Operating Charges for Services</th>
<th>Grants &amp; Contributions</th>
<th>Governmental Activities</th>
<th>Business-type Activities</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>General government</td>
<td>$412,141</td>
<td>$44,105</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>(368,036)</td>
<td></td>
<td>$375,340</td>
</tr>
<tr>
<td>Public safety</td>
<td>690,134</td>
<td>294,226</td>
<td></td>
<td></td>
<td></td>
<td>(395,908)</td>
<td></td>
<td>(395,908)</td>
</tr>
<tr>
<td>Public works</td>
<td>1,197,724</td>
<td>2,330</td>
<td>83,180</td>
<td></td>
<td></td>
<td>(1,112,214)</td>
<td></td>
<td>(1,112,214)</td>
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<tr>
<td>Human services</td>
<td>16,299</td>
<td></td>
<td>420</td>
<td></td>
<td></td>
<td>(15,879)</td>
<td></td>
<td>(15,879)</td>
</tr>
<tr>
<td>Culture and recreation</td>
<td>92,046</td>
<td>4,987</td>
<td></td>
<td></td>
<td></td>
<td>(87,059)</td>
<td></td>
<td>(87,059)</td>
</tr>
<tr>
<td>Health and sanitation</td>
<td>225,928</td>
<td>29,692</td>
<td></td>
<td></td>
<td></td>
<td>(196,236)</td>
<td></td>
<td>(196,236)</td>
</tr>
<tr>
<td>Education</td>
<td>5,871,054</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(5,871,054)</td>
<td></td>
<td>(5,871,054)</td>
</tr>
<tr>
<td>County tax</td>
<td>550,980</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(550,980)</td>
<td></td>
<td>(550,980)</td>
</tr>
<tr>
<td>Unclassified</td>
<td>88,966</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(88,966)</td>
<td></td>
<td>(88,966)</td>
</tr>
<tr>
<td>Total governmental activities</td>
<td>9,145,272</td>
<td>375,340</td>
<td>83,600</td>
<td></td>
<td></td>
<td>(8,686,332)</td>
<td></td>
<td>(8,686,332)</td>
</tr>
<tr>
<td>Business-type activities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unemployment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total business-type activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total government</td>
<td>$9,145,272</td>
<td>$375,340</td>
<td>$83,600</td>
<td></td>
<td></td>
<td>$8,686,332</td>
<td></td>
<td>$8,686,332</td>
</tr>
</tbody>
</table>
### Hourly Rate

**STATEMENT B (CONTINUED)**

**TOWN OF TURNER, MAINE**

**STATEMENT OF ACTIVITIES**
**FOR THE YEAR ENDED JUNE 30, 2018**

<table>
<thead>
<tr>
<th></th>
<th>Governmental Activities</th>
<th>Business-type Activities</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Changes in net position:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net (expense) revenue</td>
<td>(8,686,332)</td>
<td>-</td>
<td>(8,686,332)</td>
</tr>
<tr>
<td>General revenues:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property taxes, levied for general purposes</td>
<td>6,544,263</td>
<td>-</td>
<td>6,544,263</td>
</tr>
<tr>
<td>Excise taxes</td>
<td>1,291,269</td>
<td>-</td>
<td>1,291,269</td>
</tr>
<tr>
<td>Grants and contributions not restricted to specific programs</td>
<td>713,539</td>
<td>-</td>
<td>713,539</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>150,865</td>
<td>21</td>
<td>150,886</td>
</tr>
<tr>
<td>Total general revenues</td>
<td>8,699,936</td>
<td>21</td>
<td>8,699,957</td>
</tr>
<tr>
<td>Change in net position</td>
<td>13,604</td>
<td>21</td>
<td>13,625</td>
</tr>
<tr>
<td>NET POSITION - JULY 1</td>
<td>6,489,607</td>
<td>5,441</td>
<td>6,495,048</td>
</tr>
<tr>
<td>NET POSITION - JUNE 30</td>
<td>$ 6,503,211</td>
<td>$ 5,462</td>
<td>$ 6,508,673</td>
</tr>
</tbody>
</table>

See accompanying independent auditors' report and notes to financial statements.
TOWN OF TURNER, MAINE

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2018

<table>
<thead>
<tr>
<th>Fund</th>
<th>General Fund</th>
<th>Other Governmental Funds</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASSETS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$ 2,028,500</td>
<td>$ 441,499</td>
<td>$ 2,469,999</td>
</tr>
<tr>
<td>Investments</td>
<td></td>
<td>$ 208,340</td>
<td>208,340</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(net of allowance for uncollectibles):</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes</td>
<td>14,361</td>
<td></td>
<td>14,361</td>
</tr>
<tr>
<td>Liens</td>
<td>234,547</td>
<td></td>
<td>234,547</td>
</tr>
<tr>
<td>Other</td>
<td>61,739</td>
<td></td>
<td>61,739</td>
</tr>
<tr>
<td>Due from other governments</td>
<td>45,370</td>
<td></td>
<td>45,370</td>
</tr>
<tr>
<td>Due from other funds</td>
<td>43,082</td>
<td>12,423</td>
<td>55,505</td>
</tr>
<tr>
<td>TOTAL ASSETS</td>
<td>$ 2,427,599</td>
<td>$ 662,262</td>
<td>$ 3,089,861</td>
</tr>
<tr>
<td>LIABILITIES</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>$ 70,126</td>
<td>$ -</td>
<td>$ 70,126</td>
</tr>
<tr>
<td>Escrows</td>
<td>19,573</td>
<td></td>
<td>19,573</td>
</tr>
<tr>
<td>Accrued payroll</td>
<td>15,410</td>
<td></td>
<td>15,410</td>
</tr>
<tr>
<td>Due to other governments</td>
<td>1,885</td>
<td></td>
<td>1,885</td>
</tr>
<tr>
<td>Due to other funds</td>
<td>12,423</td>
<td>43,082</td>
<td>55,505</td>
</tr>
<tr>
<td>TOTAL LIABILITIES</td>
<td>119,417</td>
<td>43,082</td>
<td>162,499</td>
</tr>
<tr>
<td>DEFERRED INFLOWS OF RESOURCES</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prepaid taxes</td>
<td>35,119</td>
<td></td>
<td>35,119</td>
</tr>
<tr>
<td>Deferred tax revenues</td>
<td>203,523</td>
<td></td>
<td>203,523</td>
</tr>
<tr>
<td>TOTAL DEFERRED INFLOWS OF RESOURCES</td>
<td>238,642</td>
<td></td>
<td>238,642</td>
</tr>
<tr>
<td>FUND BALANCES</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nonspendable - principal</td>
<td>-</td>
<td>38,256</td>
<td>38,256</td>
</tr>
<tr>
<td>Restricted</td>
<td>-</td>
<td>103,123</td>
<td>103,123</td>
</tr>
<tr>
<td>Committed</td>
<td>5,865</td>
<td>422,815</td>
<td>428,680</td>
</tr>
<tr>
<td>Assigned</td>
<td>400,000</td>
<td>59,982</td>
<td>459,982</td>
</tr>
<tr>
<td>Unassigned</td>
<td>1,663,675</td>
<td>(4,996)</td>
<td>1,658,679</td>
</tr>
<tr>
<td>TOTAL FUND BALANCES</td>
<td>2,069,540</td>
<td>619,180</td>
<td>2,688,720</td>
</tr>
<tr>
<td>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</td>
<td>$ 2,427,599</td>
<td>$ 662,262</td>
<td>$ 3,089,861</td>
</tr>
</tbody>
</table>

See accompanying independent auditors' report and notes to financial statements.
TOWN OF TURNER, MAINE

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2018

<table>
<thead>
<tr>
<th>Total Governmental Funds</th>
<th>$ 2,688,720</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Fund Balances</td>
<td>$ 2,688,720</td>
</tr>
</tbody>
</table>

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

- Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation: $3,630,618
- 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: $203,523
- Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:
  - Capital leases payable: $(842)
  - Accrued compensated absences: $(18,808)

Net position of governmental activities: $6,503,211

See accompanying independent auditors' report and notes to financial statements.
TOWN OF TURNER, MAINE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

<table>
<thead>
<tr>
<th>General Fund</th>
<th>Other Governmental Funds</th>
<th>Total Governmental Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property taxes</td>
<td>$ 6,528,095</td>
<td>-</td>
</tr>
<tr>
<td>Excise taxes</td>
<td>1,291,269</td>
<td>-</td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>797,139</td>
<td>-</td>
</tr>
<tr>
<td>Charges for services</td>
<td>375,340</td>
<td>-</td>
</tr>
<tr>
<td>Miscellaneous revenues</td>
<td>111,194</td>
<td>39,671</td>
</tr>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>$ 9,103,037</td>
<td>39,671</td>
</tr>
</tbody>
</table>

| **EXPENDITURES** |                          |                          |
| Current:         |                          |                          |
| General government | 386,140               | -                        | 386,140               |
| Public safety    | 631,370                 | -                        | 631,370               |
| Public works     | 1,028,155               | -                        | 1,028,155             |
| Human services   | 16,299                  | -                        | 16,299               |
| Culture and recreation | 92,046         | -                        | 92,046               |
| Health and sanitation | 221,410         | -                        | 221,410               |
| Education        | 5,871,054               | -                        | 5,871,054             |
| County tax       | 550,980                 | -                        | 550,980               |
| Unclassified     | 2,146                   | 86,820                   | 88,966               |
| Capital outlay   | -                       | 110,779                  | 110,779              |
| **TOTAL EXPENDITURES** | $ 8,799,600         | 197,599                   | $ 8,997,199         |

| **EXCESS REVENUES OVER (UNDER) EXPENDITURES** | $ 303,437 | (157,928) | 145,509 |

| **OTHER FINANCING SOURCES** |                          |                          |
| Transfers in              | -                        | 247,000                  | 247,000             |
| Transfers (out)           | (247,000)                | -                        | (247,000)            |
| **TOTAL OTHER FINANCING SOURCES (USES)** | (247,000) | 247,000 | - |

| **NET CHANGE IN FUND BALANCES** | 56,437 | 89,072 | 145,509 |

| **FUND BALANCES - JULY 1** | 2,013,103 | 530,108 | 2,543,211 |

| **FUND BALANCES - JUNE 30** | $ 2,069,540 | $ 619,180 | $ 2,688,720 |

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

17
TOWN OF TURNER, MAINE

STATEMENT F

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2018

Net change in fund balances - total governmental funds (Statement E)  $ 145,509

Amounts reported for governmental activities in the Statement of Activities (Statement B) are different because:

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocated those expenditures over the life of the assets:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital asset acquisitions</td>
<td>111,644</td>
</tr>
<tr>
<td>Capital asset disposals</td>
<td>(6,990)</td>
</tr>
<tr>
<td>Depreciation expense</td>
<td>(252,271)</td>
</tr>
<tr>
<td><strong>Total Change</strong></td>
<td><strong>(147,617)</strong></td>
</tr>
</tbody>
</table>

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxes and liens receivable</td>
<td>16,168</td>
</tr>
</tbody>
</table>

Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Repayment</td>
<td>655</td>
</tr>
</tbody>
</table>

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accrued compensated absences</td>
<td>(1,111)</td>
</tr>
</tbody>
</table>

Change in net position of governmental activities (Statement B)  $ 13,604

See accompanying independent auditors' report and notes to financial statements.
## TOWN OF TURNER, MAINE

### BALANCE SHEET - PROPRIETARY FUNDS

**JUNE 30, 2018**

<table>
<thead>
<tr>
<th>Enterprise Fund</th>
<th>Unemployment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assets:</td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$5,462</td>
</tr>
<tr>
<td>Total current assets</td>
<td>5,462</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>$5,462</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>LIABILITIES</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Current liabilities:</td>
<td></td>
</tr>
<tr>
<td>Due to other funds</td>
<td></td>
</tr>
<tr>
<td>Total current liabilities</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>NET POSITION</strong></td>
<td></td>
</tr>
<tr>
<td>Unrestricted</td>
<td>5,462</td>
</tr>
<tr>
<td><strong>TOTAL NET POSITION</strong></td>
<td>5,462</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES AND NET POSITION</strong></td>
<td>$5,462</td>
</tr>
</tbody>
</table>
TOWN OF TURNER, MAINE

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

<table>
<thead>
<tr>
<th>Enterprise Fund</th>
<th>Unemployment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATING REVENUES</strong></td>
<td></td>
</tr>
<tr>
<td>Miscellaneous income</td>
<td>$ -</td>
</tr>
<tr>
<td><strong>TOTAL OPERATING REVENUES</strong></td>
<td>-</td>
</tr>
<tr>
<td><strong>OPERATING EXPENSES</strong></td>
<td></td>
</tr>
<tr>
<td>Program expenses</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL OPERATING EXPENSES</strong></td>
<td>-</td>
</tr>
<tr>
<td><strong>OPERATING INCOME (LOSS)</strong></td>
<td>-</td>
</tr>
<tr>
<td><strong>NONOPERATING REVENUES (EXPENSES)</strong></td>
<td></td>
</tr>
<tr>
<td>Interest income</td>
<td>21</td>
</tr>
<tr>
<td><strong>TOTAL NONOPERATING REVENUES (EXPENSES)</strong></td>
<td>21</td>
</tr>
<tr>
<td><strong>CHANGE IN NET POSITION</strong></td>
<td>21</td>
</tr>
<tr>
<td><strong>NET POSITION - JULY 1</strong></td>
<td>5,441</td>
</tr>
<tr>
<td><strong>NET POSITION - JUNE 30</strong></td>
<td>$ 5,462</td>
</tr>
</tbody>
</table>

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

TOWN OF TURNER, MAINE

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

<table>
<thead>
<tr>
<th>Enterprise Fund</th>
<th>Unemployment</th>
</tr>
</thead>
<tbody>
<tr>
<td>CASH FLOWS FROM OPERATING ACTIVITIES</td>
<td></td>
</tr>
<tr>
<td>Payments to suppliers</td>
<td>$</td>
</tr>
<tr>
<td>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</td>
<td>-</td>
</tr>
<tr>
<td>CASH FLOWS FROM INVESTING ACTIVITIES:</td>
<td></td>
</tr>
<tr>
<td>Interest income</td>
<td>21</td>
</tr>
<tr>
<td>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</td>
<td>21</td>
</tr>
<tr>
<td>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</td>
<td>21</td>
</tr>
<tr>
<td>CASH AND CASH EQUIVALENTS - JULY 1</td>
<td>5,441</td>
</tr>
<tr>
<td>CASH AND CASH EQUIVALENTS - JUNE 30</td>
<td>$ 5,462</td>
</tr>
<tr>
<td>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</td>
<td></td>
</tr>
<tr>
<td>Operating income (loss)</td>
<td>$</td>
</tr>
<tr>
<td>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</td>
<td>$</td>
</tr>
</tbody>
</table>

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

21
NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Town of Turner was incorporated under the laws of the State of Maine. The Town operates under the selectmen-manager form of government and provides the following services: general government services, public safety, public works, human services, culture and recreation, health and sanitation, education and unclassified.

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 June 30, 2018, the following statements of financial accounting standards issued by the Governmental Accounting Standards Board became effective:

Statement No. 75, “Accounting and Financial Reporting for Postemployment Benefits Other than Pensions.” The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 81, “Irrevocable Split-Interest Agreements”. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. Split-interest agreements are a type of giving agreement used by donors to provide resources to two or more beneficiaries, including governments. Split-interest agreements can be created through trusts or other legally enforceable agreements with characteristics that are equivalent to split-interest
agreements in which a donor transfers resources to an intermediary to hold and administer for the benefit of a government and at least one other beneficiary. Examples of these types of agreements include charitable lead trusts, charitable remainder trusts, and life-interests in real estate. As such, this Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 85, “Omnibus 2017.” The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 86, “Certain Debt Extinguishment Issues.” The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources - resources other than the proceeds of refunding debt - are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. 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 either governmental or business-type. The Town’s unemployment fund is categorized as a business-type activity. All other activities of the Town are categorized as governmental.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are (a) presented on a consolidated basis by column, and (b) are reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Town’s net position is reported in three parts – net investment in capital assets;
NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 and business-type activities (general government, public safety, etc.) excluding any 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 or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. For the most part, the interfund activity has been eliminated from these government-wide financial statements.

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

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

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

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

The financial transactions of the Town are reported in the individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, 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:
NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Major fund:

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.

Nonmajor funds:

b. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

c. Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities or equipment.

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

2. Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. Operating revenues include charges for services, intergovernmental reimbursements and other miscellaneous fees which are a direct result of the proprietary activity. Nonoperating revenues are any revenues which are generated outside of the general proprietary activity, i.e. interest income. The following is a description of the proprietary funds of the Town:

a. Enterprise Funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) established fees and charges based on a pricing policy designed to recover similar costs.
The emphasis in fund financial statements is on the major funds in either the governmental or business-type 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.

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:
NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1. Early in the second half of the year the Town prepares a budget for the fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them.

2. A meeting of the 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.

It is the Town's policy to value investments at fair value. For purposes of the Statement of Cash Flows, all highly liquid investments with a maturity of three months or less when purchased are considered to be cash equivalents. None of the Town's investments are reported at amortized cost. The Town Treasurer is authorized by State Statutes to invest all excess funds in the following:

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

**Receivables**

Receivables include amounts due from governmental agencies and 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. Allowances for uncollectible accounts netted with accounts receivable were $107,109 for the year ended June 30, 2018. The allowance for uncollectible accounts is estimated to be $32,663 as of June 30, 2018.

**Interfund Receivables and Payables**

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

**Transactions Between Funds**

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

**Capital Assets**

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

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

Infrastructure assets include roads, bridges, underground pipe (other than related to independently owned utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the Town. The Town has not retroactively recorded infrastructure.

Estimated useful lives are as follows:

<table>
<thead>
<tr>
<th>Asset Type</th>
<th>Useful Life</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings</td>
<td>20 - 50 years</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>50 - 100 years</td>
</tr>
<tr>
<td>Machinery and equipment</td>
<td>3 - 50 years</td>
</tr>
<tr>
<td>Vehicles</td>
<td>3 - 25 years</td>
</tr>
</tbody>
</table>

**Long-term Obligations**

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.
NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

**Compensated Absences**

The Town’s policies regarding vacation and sick time permit employees to accumulate earned but unused vacation and sick leave. The liability for these compensated absences is recorded as long-term debt in the government-wide financial statements. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources, while the proprietary funds report the liability as it is incurred. As of June 30, 2018, the Town’s liability for compensated absences is $18,808.

**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.
NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

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

**Deferred Outflows and Inflows of Resources**

In addition to assets, the statement of financial position and/or balance sheet will at times report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town currently has no deferred outflows of resources.
NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

The Town’s property tax for the current year was levied September 6, 2017 on the assessed value listed as of April 1, 2017, for all real and personal property located in the Town. Taxes were due in two installments on November 1, 2017 and May 1, 2018. Interest on unpaid taxes commenced on November 2, 2017 and May 2, 2018, at 7% per annum.

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

The Town is permitted by the laws of the State of Maine to levy taxes up to 105% of its net budgeted expenditures for the related fiscal period. The amount raised in excess of 100% is referred to as overlay and amounted to $55,333 for the year ended June 30, 2018.

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).
NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Operating/Nonoperating Proprietary Fund Revenues

Operating revenues consist mainly of direct revenue sources and/or charges for services applicable to that fund’s ongoing operations. All revenue and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Encumbrance Accounting

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

Use of Estimates

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

NOTE 2 - DEPOSITS AND INVESTMENTS

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

Deposits:

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the Town will not be able to recover its deposits. The Town does not have a policy covering custodial credit risk for deposits. However, the Town maintains deposits in qualifying financial institutions that are a member of the FDIC or NCUSIF as defined in Title 30-A, Section 5706 of the Maine Revised Statutes. At June 30, 2018, the Town’s cash balances amounting to $2,475,461 were comprised of bank deposits of $2,696,695. All of these bank deposits were fully insured by federal depository insurance and consequently were not exposed to custodial credit risk.
NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

<table>
<thead>
<tr>
<th>Account Type</th>
<th>Bank Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sweep accounts</td>
<td>$2,664,952</td>
</tr>
<tr>
<td>NOW accounts</td>
<td>3,631</td>
</tr>
<tr>
<td>Money market accounts</td>
<td>28,112</td>
</tr>
<tr>
<td></td>
<td>$2,696,695</td>
</tr>
</tbody>
</table>

Investments:

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

At June 30, 2018, the Town’s investment balances amounting to $208,340 were comprised of investments in certificates of deposit. All of the Town’s investments were insured by federal depository insurance and consequently were not exposed to custodial credit risk.

At June 30, 2018, the Town had the following investments:

<table>
<thead>
<tr>
<th>Investment Type</th>
<th>Fair Value</th>
<th>&lt;1 Year</th>
<th>1 - 5 Years</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certificates of deposit</td>
<td>$208,340</td>
<td></td>
<td>$208,340</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$208,340</td>
<td></td>
<td>$208,340</td>
<td></td>
</tr>
</tbody>
</table>

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.

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.
NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at June 30, 2018 consisted of the following individual fund receivables and payables:

<table>
<thead>
<tr>
<th>Receivables (Due from)</th>
<th>Payables (Due to)</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td></td>
</tr>
<tr>
<td>$ 43,082</td>
<td>$ 12,423</td>
</tr>
<tr>
<td>Nonmajor Special Revenue Funds</td>
<td></td>
</tr>
<tr>
<td>7,387</td>
<td>5,379</td>
</tr>
<tr>
<td>Nonmajor Capital Project Funds</td>
<td></td>
</tr>
<tr>
<td>5,035</td>
<td>37,628</td>
</tr>
<tr>
<td>Nonmajor Permanent Funds</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>75</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>55,505</strong></td>
</tr>
</tbody>
</table>

NOTE 4 - CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended June 30, 2018:

<table>
<thead>
<tr>
<th>Governmental activities</th>
<th>Balance, 7/1/17</th>
<th>Additions</th>
<th>Disposals</th>
<th>Balance, 6/30/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-deprecated assets:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td>$276,045</td>
<td>-</td>
<td>-</td>
<td>$276,045</td>
</tr>
<tr>
<td>Depreciated assets:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings and improvements</td>
<td>1,509,530</td>
<td>-</td>
<td>-</td>
<td>1,509,530</td>
</tr>
<tr>
<td>Machinery and equipment</td>
<td>814,134</td>
<td>13,000</td>
<td>-</td>
<td>827,134</td>
</tr>
<tr>
<td>Vehicles</td>
<td>1,798,186</td>
<td>98,644</td>
<td>(108,598)</td>
<td>1,788,232</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>2,067,738</td>
<td>-</td>
<td>-</td>
<td>2,067,738</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>6,189,588</strong></td>
<td><strong>111,644</strong></td>
<td>(108,598)</td>
<td><strong>6,192,634</strong></td>
</tr>
<tr>
<td>Less: accumulated depreciation</td>
<td>(2,687,398)</td>
<td>(252,271)</td>
<td>101,608</td>
<td>(2,838,061)</td>
</tr>
<tr>
<td><strong>Net governmental capital assets</strong></td>
<td><strong>3,502,190</strong></td>
<td>(140,627)</td>
<td>(6,990)</td>
<td><strong>3,354,573</strong></td>
</tr>
</tbody>
</table>
NOTE 4 - CAPITAL ASSETS (CONTINUED)

Current year depreciation:
  General government $ 25,460
  Public safety 58,849
  Public works 163,444
  Health and sanitation 4,518
Total depreciation expense $ 252,271

NOTE 5 - LONG-TERM DEBT

The following is a summary of changes in the long-term debt for the year ended June 30, 2018:

<table>
<thead>
<tr>
<th></th>
<th>Balance, 7/1/17</th>
<th>Additions</th>
<th>Deletions</th>
<th>Balance, 6/30/18</th>
<th>Current Portion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governmental activities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital leases payable</td>
<td>$ 1,497</td>
<td>$ -</td>
<td>$ (655)</td>
<td>$ 842</td>
<td>$ 661</td>
</tr>
<tr>
<td>Accrued compensated</td>
<td>$ 17,697</td>
<td>$ 1,111</td>
<td>$ -</td>
<td>$ 18,808</td>
<td>$ 940</td>
</tr>
<tr>
<td>absences</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$ 19,774</td>
<td>$ 1,111</td>
<td>$ (655)</td>
<td>$ 19,650</td>
<td>$ 1,601</td>
</tr>
</tbody>
</table>

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

The Town leases a copier with Gorham Leasing Group under a non-cancelable lease agreement. The term of the lease is for 60 months maturing in July 2017. Monthly principal and interest payments are $89 with interest at a rate of 3.75% per annum.

The Town leases a copier with Canon Financial Service under a non-cancelable lease agreement. The term of the lease is for 60 months maturing in September 2019. Monthly principal and interest payments are $62 with interest at a rate of 1.24% per month.

Future minimum payments, for the years ending June 30, are as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>$ 742</td>
</tr>
<tr>
<td>2020</td>
<td>185</td>
</tr>
</tbody>
</table>

Total minimum lease payments 927
Less: Amount representing interest (85)
Present value of future minimum lease payments $ 842
NOTE 6 - NONSPENDABLE FUND BALANCES

At June 30, 2018, the Town had the following nonspendable fund balances:

Nonmajor permanent funds (Schedule H) $38,256

NOTE 7 - RESTRICTED FUND BALANCES

At June 30, 2018, the Town had the following restricted fund balances:

Nonmajor permanent funds (Schedule H) $103,123

NOTE 8 - COMMITTED FUND BALANCES

At June 30, 2018, the Town had the following committed fund balances:

General fund:
  Comprehensive plan $5,865
  Nonmajor capital projects funds (Schedule F) 422,815
  $428,680

NOTE 9 - ASSIGNED FUND BALANCES

At June 30, 2018, the Town had the following assigned fund balances:

General fund:
  Reserved for FY 2019 budget $400,000
  Nonmajor special revenue funds (Schedule D) 59,982
  $459,982

NOTE 10 - EXPENDITURES OVER APPROPRIATIONS

The Town had the following overspent appropriations at June 30, 2018:

<table>
<thead>
<tr>
<th>Excess</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Public works</td>
<td>$34,991</td>
</tr>
<tr>
<td>Health and sanitation</td>
<td>4,594</td>
</tr>
<tr>
<td></td>
<td>$39,585</td>
</tr>
</tbody>
</table>
NOTE 11 - OVERLAPPING DEBT

The Town is contingently liable for its proportionate share of any defaulted debt by entities of which it is a member. As of June 30, 2018, the Town’s share of debt was as follows:

<table>
<thead>
<tr>
<th></th>
<th>Outstanding Debt</th>
<th>Town's Percentage</th>
<th>Total Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Androscoggin County</td>
<td>$286,625</td>
<td>5.70%</td>
<td>$16,338</td>
</tr>
<tr>
<td>RSU No. 52</td>
<td>8,182,633</td>
<td>52.18%</td>
<td>4,269,698</td>
</tr>
</tbody>
</table>

NOTE 12 - RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Town participates in a public entity risk pool sponsored by the Maine Municipal Association. The Maine Municipal Association Group Risk Pool is a state chartered pool established exclusively for Maine municipalities. The pool provides certain property, liability, fidelity and vehicle coverage. If the assets of the pool are at any time actuarially determined to be insufficient to enable the pool to discharge its legal obligations, other obligations, and actuarially sound reserves, the pool has the power to make up the deficiency by the levy of a prorated assessment. There have been no deficiencies during the past three years and management believes that no deficiency exists at June 30, 2018.

The Town is a member of the Maine Municipal Association – Property and Casualty Pool and pays an annual premium for its coverage. Under the property portion of the policy, coverage is provided after a per occurrence deductible is met. The limit of coverage for liability claims brought under the Maine Tort Claims Act is $400,000 per occurrence. A $2,000,000 limit of liability is provided for liability claims outside the Maine Tort Claims Act. There is no aggregate liability limit. Coverage for Public Officials Liability, including Employment Practices, is a part of the program. Coverage is on an occurrence basis, rather than a “claims made” form. A $2,000,000 limit of liability is provided for all claims for Wrongful Acts seeking monetary damages pursuant to federal or state law for which the Maine Tort Claims Act does not provide immunity or limitations. Each member has a $4,000,000 annual aggregate limit. An annual sublimit of $100,000 per member applies for all back wages and/or future salary awards for employment related claims, subject to a $5,000 retention and a 10% contribution by the member.
NOTE 12 - RISK MANAGEMENT (CONTINUED)

The Town is also 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, coverage for claims in excess of $1,000,000.

Based on the coverage provided by the insurance purchased, the Town is not aware of any material actual or potential claim liabilities which should be recorded as of June 30, 2018. 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 13 - CONTINGENCIES

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

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

NOTE 14 - DEFICIT FUND BALANCE

At June 30, 2018, the Town had the following deficit fund balance:

| Gar Hall Community Building | $ 4,996 |
NOTE 15 - RELATED PARTY TRANSACTIONS

During the year, Hood Farm, owned by a member of the Board of Selectmen, provided road services for the Town. Hood Farm was paid $23,197 for the year ended June 30, 2018.

A member of the Board of Selectmen owns businesses that provide services to the Town. The following companies provided services to the Town for the year ended June 30, 2018:

Kry, Inc. was paid $90,644 for equipment sold to the Town.
Spencer Group was paid $43,283 for paving services.
All State Asphalt, Inc. was paid $301,933 for paving services.
K.R. Youland and Son was paid $107,978 for road work.

The Selectmen recuse themselves from any votes having to do with related party transactions.
Required Supplementary Information

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

- Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund
<table>
<thead>
<tr>
<th>Variance</th>
<th>Original</th>
<th>Final</th>
<th>Actual amounts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Positive</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Negative)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Budgetary Fund Balance, July 1  
2,013,103 $  2,013,103 $  2,013,103 $ 

Resources (Inflows):

Taxes:

- Property taxes: Original 6,544,260, Final 6,544,260, Actual 6,528,095, Variance (16,165) $
- Excise taxes: Original 1,122,300, Final 1,122,300, Actual 1,291,269, Variance 168,969 $

Intergovernmental revenues:

- State revenue sharing: Original 205,414, Final 205,414, Actual 213,861, Variance 8,447 $
- Homestead exemption: Original 174,741, Final 174,741, Actual 174,741, Variance - $
- Local road assistance: Original 83,180, Final 83,180, Actual 83,180, Variance - $
- Other: Original 202,546, Final 202,546, Actual 325,357, Variance 122,811 $

Charges for services: Original 444,100, Final 444,100, Actual 375,340, Variance (68,760) $

Interest income: Original 3,700, Final 3,700, Actual 1,241, Variance (2,459) $

Miscellaneous revenues: Original 36,238, Final 36,238, Actual 109,953, Variance 73,715 $

Amounts Available for Appropriation: Original 10,829,582, Final 10,829,582, Actual 11,116,140, Variance 286,558 $

Charges to Appropriations (Outflows):

Current:

- General government: Original 414,200, Final 414,200, Actual 386,140, Variance 28,060 $
- Public works: Original 993,164, Final 993,164, Actual 1,028,155, Variance 34,991 $
- Human services: Original 18,800, Final 18,800, Actual 16,299, Variance 2,501 $
- Culture and recreation: Original 94,500, Final 94,500, Actual 92,046, Variance 2,454 $
- Health and sanitation: Original 216,816, Final 216,816, Actual 221,410, Variance 4,594 $
- Education: Original 5,871,054, Final 5,871,054, Actual 5,871,054, Variance - $
- County tax: Original 550,981, Final 550,981, Actual 550,980, Variance 1 $
- Unclassified: Original 90,333, Final 70,333, Actual 2,146, Variance 68,187 $
- Transfers to other funds: Original 233,000, Final 253,000, Actual 247,000, Variance 6,000 $

Total Charges to Appropriations: Original 9,116,479, Final 9,116,479, Actual 9,046,600, Variance 69,879 $

Budgetary Fund Balance, June 30: Original $1,713,103, Final $1,713,103, Actual $2,069,540, Variance $356,437 $

Utilization of assigned fund balance: Original $300,000, Final $300,000, Actual $-, Variance $(300,000) $

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

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Other Supplementary Information

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

- Budgetary Comparison Schedule - 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 Revenue, 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 TURNER, MAINE

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
BUDGET AND ACTUAL - GENERAL FUND REVENUES
FOR THE YEAR ENDED JUNE 30, 2018

<table>
<thead>
<tr>
<th>Resources (Inflows):</th>
<th>Original Budget</th>
<th>Final Budget</th>
<th>Actual Amounts</th>
<th>Variance Positive (Negative)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Taxes:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property taxes</td>
<td>$ 6,544,260</td>
<td>$ 6,544,260</td>
<td>$ 6,528,095</td>
<td>$ (16,165)</td>
</tr>
<tr>
<td>Motor vehicle excise</td>
<td>1,115,000</td>
<td>1,115,000</td>
<td>1,283,646</td>
<td>168,646</td>
</tr>
<tr>
<td>Boat excise</td>
<td>7,300</td>
<td>7,300</td>
<td>7,623</td>
<td>323</td>
</tr>
<tr>
<td><strong>Intergovernmental revenues:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State revenue sharing</td>
<td>205,414</td>
<td>205,414</td>
<td>213,861</td>
<td>8,447</td>
</tr>
<tr>
<td>Homestead exemption</td>
<td>174,741</td>
<td>174,741</td>
<td>174,741</td>
<td>-</td>
</tr>
<tr>
<td>Tree growth reimbursement</td>
<td>6,000</td>
<td>6,000</td>
<td>6,988</td>
<td>988</td>
</tr>
<tr>
<td>Local roads</td>
<td>83,180</td>
<td>83,180</td>
<td>83,180</td>
<td>-</td>
</tr>
<tr>
<td>General assistance</td>
<td>1,500</td>
<td>1,500</td>
<td>420</td>
<td>(1,080)</td>
</tr>
<tr>
<td>Education</td>
<td>150,000</td>
<td>150,000</td>
<td>281,825</td>
<td>131,825</td>
</tr>
<tr>
<td>Other state/federal funds</td>
<td>45,046</td>
<td>45,046</td>
<td>36,124</td>
<td>(8,922)</td>
</tr>
<tr>
<td><strong>Charges for services:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Town clerk fees</td>
<td>30,900</td>
<td>30,900</td>
<td>41,911</td>
<td>11,011</td>
</tr>
<tr>
<td>Code enforcement/permit fees</td>
<td>23,500</td>
<td>23,500</td>
<td>27,589</td>
<td>4,089</td>
</tr>
<tr>
<td>Planning Board fees</td>
<td>1,500</td>
<td>1,500</td>
<td>2,194</td>
<td>694</td>
</tr>
<tr>
<td>Rescue department</td>
<td>350,000</td>
<td>350,000</td>
<td>250,144</td>
<td>(99,856)</td>
</tr>
<tr>
<td>Transfer station/recycling income</td>
<td>18,000</td>
<td>18,000</td>
<td>29,692</td>
<td>11,692</td>
</tr>
<tr>
<td>Fire department income</td>
<td>14,500</td>
<td>14,500</td>
<td>16,493</td>
<td>1,993</td>
</tr>
<tr>
<td>Public works</td>
<td>1,200</td>
<td>1,200</td>
<td>2,330</td>
<td>1,130</td>
</tr>
<tr>
<td>Culture and recreation</td>
<td>4,500</td>
<td>4,500</td>
<td>4,987</td>
<td>487</td>
</tr>
<tr>
<td><strong>Investment income:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Regular investment income</td>
<td>3,700</td>
<td>3,700</td>
<td>1,241</td>
<td>(2,459)</td>
</tr>
<tr>
<td><strong>Other revenues:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fees/interest on taxes</td>
<td>26,000</td>
<td>26,000</td>
<td>32,792</td>
<td>6,792</td>
</tr>
<tr>
<td>Proceeds from sale of assets</td>
<td>-</td>
<td>-</td>
<td>66,158</td>
<td>66,158</td>
</tr>
<tr>
<td>Misc. other</td>
<td>10,238</td>
<td>10,238</td>
<td>11,003</td>
<td>765</td>
</tr>
<tr>
<td><strong>Amounts Available for Appropriation</strong></td>
<td>$ 8,816,479</td>
<td>$ 8,816,479</td>
<td>$ 9,103,037</td>
<td>$ 286,558</td>
</tr>
</tbody>
</table>

See accompanying independent auditors' report and notes to financial statements.
## TOWN OF TURNER, MAINE

### SCHEDULE B

**SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND**

**FOR THE YEAR ENDED JUNE 30, 2018**

<table>
<thead>
<tr>
<th>EXPENDITURES</th>
<th>Original Budget</th>
<th>Budget Adjustments</th>
<th>Total Available</th>
<th>Actual</th>
<th>Variance (Negative)</th>
</tr>
</thead>
</table>

#### General Government:

- **Administration**: $361,075, $361,075, $333,622, $27,453
- **Elections**: $4,473, $4,473, $4,394, 79
- **Planning Board**: $3,300, $3,300, $3,257, 43
- **Code Enforcement**: $32,578, $32,578, $31,906, 672
- **Public Officers Association**: $12,774, $12,774, $12,961, (187)

**Total for General Government**: $414,200, $414,200, $386,140, 28,060

#### Public Safety:

- **Fire Department**: $107,247, $107,247, $104,085, 3,162
- **Emergency Management**: $1,458, $1,458, $1,450, 8
- **Rescue Department**: $510,552, $510,552, $511,281, (729)
- **Animal Control**: $14,374, $14,374, $14,554, (180)

**Total for Public Safety**: $633,631, $633,631, $631,370, 2,261

#### Public Works:

- **Street Lights**: $1,250, $1,250, $1,226, 24
- **Public Works Garage**: $112,050, $112,050, $111,065, 985
- **Winter Roads**: $243,860, $243,860, $279,860, (36,000)
- **Summer Roads**: $161,004, $161,004, $161,004, -
- **Paving/Construction**: $475,000, $475,000, $475,000, -

**Total for Public Works**: $993,164, $993,164, $1,028,155, (34,991)

#### Human Services:

- **Social Services**: $14,800, $14,800, $14,800, -
- **General Assistance**: $4,000, $4,000, $1,499, 2,501

**Total for Human Services**: $18,800, $18,800, $16,299, 2,501

---

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## SCHEDULE B (CONTINUED)

**TOWN OF TURNER, MAINE**

**SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND**

**FOR THE YEAR ENDED JUNE 30, 2018**

<table>
<thead>
<tr>
<th></th>
<th>Original Budget</th>
<th>Budget Adjustments</th>
<th>Total Available</th>
<th>Actual</th>
<th>Variance (Positive/Negative)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Culture and Recreation:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Library</td>
<td>32,500</td>
<td></td>
<td>32,500</td>
<td>32,500</td>
<td>-</td>
</tr>
<tr>
<td>Cemeteries</td>
<td>8,000</td>
<td>-</td>
<td>8,000</td>
<td>7,659</td>
<td>341</td>
</tr>
<tr>
<td>Parks</td>
<td>13,000</td>
<td>-</td>
<td>13,000</td>
<td>11,584</td>
<td>1,416</td>
</tr>
<tr>
<td>Recreation</td>
<td>20,000</td>
<td>-</td>
<td>20,000</td>
<td>20,000</td>
<td>-</td>
</tr>
<tr>
<td>Community Rental BQMC</td>
<td>18,700</td>
<td>-</td>
<td>18,700</td>
<td>18,003</td>
<td>697</td>
</tr>
<tr>
<td>Conservation</td>
<td>2,300</td>
<td>-</td>
<td>2,300</td>
<td>2,300</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>94,500</td>
<td>-</td>
<td>94,500</td>
<td>92,046</td>
<td>2,454</td>
</tr>
<tr>
<td><strong>Health and Sanitation:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfer/Recreation Station</td>
<td>216,816</td>
<td></td>
<td>216,816</td>
<td>221,410</td>
<td>(4,594)</td>
</tr>
<tr>
<td></td>
<td>216,816</td>
<td></td>
<td>216,816</td>
<td>221,410</td>
<td>(4,594)</td>
</tr>
<tr>
<td><strong>Education:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>School Assessment</td>
<td>5,871,054</td>
<td>-</td>
<td>5,871,054</td>
<td>5,871,054</td>
<td>-</td>
</tr>
<tr>
<td><strong>County Tax:</strong></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>County Assessment</td>
<td>550,981</td>
<td>-</td>
<td>550,981</td>
<td>550,980</td>
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</tr>
<tr>
<td><strong>Unclassified:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contingency</td>
<td>15,000</td>
<td>-</td>
<td>15,000</td>
<td>-</td>
<td>15,000</td>
</tr>
<tr>
<td>Leavitt Institute Building</td>
<td>20,000</td>
<td>(20,000)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Overlay</td>
<td>55,333</td>
<td>-</td>
<td>55,333</td>
<td>2,146</td>
<td>53,187</td>
</tr>
<tr>
<td></td>
<td>90,333</td>
<td>(20,000)</td>
<td>70,333</td>
<td>2,146</td>
<td>68,187</td>
</tr>
<tr>
<td><strong>Transfers to Other Funds:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Projects Funds</td>
<td>233,000</td>
<td>20,000</td>
<td>253,000</td>
<td>247,000</td>
<td>6,000</td>
</tr>
<tr>
<td></td>
<td>233,000</td>
<td>20,000</td>
<td>253,000</td>
<td>247,000</td>
<td>6,000</td>
</tr>
<tr>
<td><strong>Total Departmental Operations</strong></td>
<td>$ 9,116,479</td>
<td>$</td>
<td>$ 9,116,479</td>
<td>$ 9,046,600</td>
<td>$ 69,879</td>
</tr>
</tbody>
</table>

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

45
TOWN OF TURNER, MAINE

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

<table>
<thead>
<tr>
<th></th>
<th>Special Revenue Funds</th>
<th>Capital Projects Funds</th>
<th>Permanent Funds</th>
<th>Total Nonmajor Governmental Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$ 53,175</td>
<td>$ 387,891</td>
<td>$ 433</td>
<td>$ 441,499</td>
</tr>
<tr>
<td>Investments</td>
<td>4,799</td>
<td>62,521</td>
<td>141,020</td>
<td>208,340</td>
</tr>
<tr>
<td>Due from other funds</td>
<td>7,387</td>
<td>5,035</td>
<td>1</td>
<td>12,423</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>$ 65,361</td>
<td>$ 455,447</td>
<td>$ 141,454</td>
<td>$ 662,262</td>
</tr>
</tbody>
</table>

| **LIABILITIES**      |                       |                       |                 |                                  |
| Due to other funds   | $ 5,379               | $ 37,628              | $ 75            | $ 43,082                         |
| **TOTAL LIABILITIES**|                       |                       |                 |                                  |
|                      | $ 5,379               | $ 37,628              | $ 75            | $ 43,082                         |

| **FUND BALANCES**    |                       |                       |                 |                                  |
| Nonspendable - principal | -                     | -                     | 38,256          | 38,256                           |
| Restricted           | -                     | -                     | 103,123         | 103,123                          |
| Committed            | -                     | 422,815               | -               | 422,815                          |
| Assigned             | 59,982                | -                     | -               | 59,982                           |
| Unassigned           | -                     | (4,996)               | -               | (4,996)                          |
| **TOTAL FUND BALANCES** |                       |                       |                 |                                  |
|                      | 59,982                | 417,819               | 141,379         | 619,180                          |

| **TOTAL LIABILITIES AND FUND BALANCES** | $ 65,361 | $ 455,447 | $ 141,454 | $ 662,262 |

See accompanying independent auditors' report and notes to financial statements.
## Combing Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds

**For the Year Ended June 30, 2018**

<table>
<thead>
<tr>
<th></th>
<th>Special Revenue Funds</th>
<th>Capital Projects Funds</th>
<th>Permanent Funds</th>
<th>Total Nonmajor Governmental Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest income</td>
<td>$227</td>
<td>$1,795</td>
<td>$2,552</td>
<td>$4,574</td>
</tr>
<tr>
<td>Other</td>
<td>19,340</td>
<td>15,757</td>
<td>-</td>
<td>35,097</td>
</tr>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>19,567</td>
<td>17,552</td>
<td>2,552</td>
<td>39,671</td>
</tr>
<tr>
<td><strong>EXPENDITURES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital outlay</td>
<td></td>
<td>-</td>
<td>110,779</td>
<td>110,779</td>
</tr>
<tr>
<td>Other</td>
<td>27,521</td>
<td>59,118</td>
<td>181</td>
<td>86,820</td>
</tr>
<tr>
<td><strong>TOTAL EXPENDITURES</strong></td>
<td>27,521</td>
<td>169,897</td>
<td>181</td>
<td>197,599</td>
</tr>
<tr>
<td><strong>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</strong></td>
<td>(7,954)</td>
<td>(152,345)</td>
<td>2,371</td>
<td>(157,928)</td>
</tr>
<tr>
<td><strong>OTHER FINANCING SOURCES (USES)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers in</td>
<td></td>
<td>-</td>
<td>247,000</td>
<td>247,000</td>
</tr>
<tr>
<td>Transfers (out)</td>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL OTHER FINANCING SOURCES (USES)</strong></td>
<td></td>
<td>-</td>
<td>247,000</td>
<td>247,000</td>
</tr>
<tr>
<td><strong>NET CHANGE IN FUND BALANCES</strong></td>
<td>(7,954)</td>
<td>94,655</td>
<td>2,371</td>
<td>89,072</td>
</tr>
<tr>
<td><strong>FUND BALANCES - JULY 1</strong></td>
<td>67,936</td>
<td>323,164</td>
<td>139,008</td>
<td>530,108</td>
</tr>
<tr>
<td><strong>FUND BALANCES - JUNE 30</strong></td>
<td>$59,982</td>
<td>$417,819</td>
<td>$141,379</td>
<td>$619,180</td>
</tr>
</tbody>
</table>

See accompanying independent auditors’ report and notes to financial statements.
Special Revenue Funds

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

**COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUES FUNDS**

**JUNE 30, 2018**

<table>
<thead>
<tr>
<th></th>
<th>Bicentennial</th>
<th>Accrued Compensated Bicentennial</th>
<th>Heat Assistance</th>
<th>Fire Hydrants</th>
<th>Gazebo Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$ -</td>
<td>$ 15,129</td>
<td>$ 9,861</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>Investments</td>
<td>4,799</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Due from other funds</td>
<td>384</td>
<td></td>
<td>1</td>
<td>267</td>
<td>364</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>$ 5,183</td>
<td>$ 15,129</td>
<td>$ 9,862</td>
<td>$ 267</td>
<td>$ 364</td>
</tr>
<tr>
<td><strong>LIABILITIES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Due to other funds</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td>$ -</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>FUND BALANCES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nonspendable</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Committed</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assigned</td>
<td>5,183</td>
<td>15,129</td>
<td>9,862</td>
<td>267</td>
<td>364</td>
</tr>
<tr>
<td>Unassigned</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL FUND BALANCES</strong></td>
<td>5,183</td>
<td>15,129</td>
<td>9,862</td>
<td>267</td>
<td>364</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES AND FUND BALANCES</strong></td>
<td>$ 5,183</td>
<td>$ 15,129</td>
<td>$ 9,862</td>
<td>$ 267</td>
<td>$ 364</td>
</tr>
</tbody>
</table>
### TOWN OF TURNER, MAINE

**COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUES FUNDS**

**JUNE 30, 2018**

<table>
<thead>
<tr>
<th></th>
<th>225th Celebration</th>
<th>Rescue Donations</th>
<th>Fire Works</th>
<th>Hannaford Donations Fire Dept.</th>
<th>Accrued Liability</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$ -</td>
<td>$ 6,829</td>
<td>$ 6,252</td>
<td>$ -</td>
<td>$ 15,104</td>
<td>$ 53,175</td>
</tr>
<tr>
<td>Investments</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4,799</td>
</tr>
<tr>
<td>Due from other funds</td>
<td>3,781</td>
<td>2,183</td>
<td>-</td>
<td>282</td>
<td>-</td>
<td>7,387</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>$ 3,781</td>
<td>$ 9,012</td>
<td>$ 6,252</td>
<td>$ 282</td>
<td>$ 15,104</td>
<td>$ 65,361</td>
</tr>
<tr>
<td><strong>LIABILITIES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Due to other funds</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 5,379</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 5,379</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td>-</td>
<td>-</td>
<td>5,379</td>
<td>-</td>
<td>-</td>
<td>5,379</td>
</tr>
<tr>
<td><strong>FUND BALANCES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nonspendable</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Restricted</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Committed</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Assigned</td>
<td>3,781</td>
<td>9,012</td>
<td>873</td>
<td>282</td>
<td>15,104</td>
<td>59,982</td>
</tr>
<tr>
<td>Unassigned</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL FUND BALANCES</strong></td>
<td>3,781</td>
<td>9,012</td>
<td>873</td>
<td>282</td>
<td>15,104</td>
<td>59,982</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES AND FUND BALANCES</strong></td>
<td>$ 3,781</td>
<td>$ 9,012</td>
<td>$ 6,252</td>
<td>$ 282</td>
<td>$ 15,104</td>
<td>$ 65,361</td>
</tr>
</tbody>
</table>

See accompanying independent auditors' report and notes to financial statements.
TOWN OF TURNER, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUES FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

<table>
<thead>
<tr>
<th>Fund</th>
<th>Bicentennial</th>
<th>Compensated Absences</th>
<th>Bicentennial Bell</th>
<th>Heat Assistance</th>
<th>Fire Hydrants</th>
<th>Gazebo Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest income</td>
<td>$</td>
<td>2</td>
<td>$ 78</td>
<td>$ 58</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL REVENUES</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>EXPENDITURES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL EXPENDITURES</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>NET CHANGE IN FUND BALANCES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td>(5,639)</td>
<td>(5,514)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>FUND BALANCES - JULY 1</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$5,181</td>
<td></td>
<td>20,768</td>
<td>15,376</td>
<td>267</td>
<td>364</td>
<td>125</td>
</tr>
<tr>
<td><strong>FUND BALANCES - JUNE 30</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$5,183</td>
<td></td>
<td>15,129</td>
<td>9,862</td>
<td>$267</td>
<td>$364</td>
<td>$125</td>
</tr>
</tbody>
</table>
## TOWN OF TURNER, MAINE

### COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

**NONMAJOR SPECIAL REVENUES FUNDS**

**FOR THE YEAR ENDED JUNE 30, 2018**

<table>
<thead>
<tr>
<th></th>
<th>225th Celebration</th>
<th>Rescue Donations</th>
<th>Fireworks</th>
<th>Hannaford Donations Fire Dept.</th>
<th>Accrued Liability</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest income</td>
<td>$</td>
<td>$ 26</td>
<td>$ 5</td>
<td>$ 58</td>
<td>$ 58</td>
<td>$ 227</td>
</tr>
<tr>
<td>Other</td>
<td>100</td>
<td>10,380</td>
<td>8,239</td>
<td></td>
<td></td>
<td>19,340</td>
</tr>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>100</td>
<td>10,406</td>
<td>8,244</td>
<td></td>
<td>58</td>
<td>19,567</td>
</tr>
</tbody>
</table>

|                  |                   |                  |           |                               |                   |       |
| **EXPENDITURES** |                   |                  |           |                               |                   |       |
| Other            |                   | 8,211            | 7,400     |                               |                   | 27,521|
| **TOTAL EXPENDITURES** |                   | 8,211            | 7,400     |                               |                   | 27,521|

|                  |                   |                  |           |                               |                   |       |
| **NET CHANGE IN FUND BALANCES** | 100               | 2,195            | 844       |                               | 58                | (7,954)|

|                  |                   |                  |           |                               |                   |       |
| **FUND BALANCES - JULY 1** | 3,681             | 6,817            | 29        | 282                           | 15,046            | 67,936|

|                  |                   |                  |           |                               |                   |       |
| **FUND BALANCES - JUNE 30** | $ 3,781           | $ 9,012          | $ 873     | $ 282                         | $ 15,104          | $ 59,982|

See accompanying independent auditors’ report and notes to financial statements.
Capital Projects Funds

Capital projects funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds.
## TOWN OF TURNER, MAINE

### COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS

**JUNE 30, 2018**

<table>
<thead>
<tr>
<th>Highway Equipment</th>
<th>Leavitt Institute</th>
<th>Fire Equipment Reserve</th>
<th>Rescue Unit</th>
<th>Revaluation</th>
<th>Solid Waste Reserve</th>
<th>Public Works Building</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 95,939</td>
<td>$ 66,152</td>
<td>$ 66,016</td>
<td>$ 14,163</td>
<td>$</td>
<td>$ 29,105</td>
<td>$ 33,335</td>
</tr>
</tbody>
</table>

### ASSETS

- **Cash and cash equivalents**: $95,939, $66,152, $66,016, $14,163, $0, $29,105, $33,335
- **Investments**: $0, $0, $0, $0, $59,004, $0, $0
- **Due from other funds**: $0, $0, $0, $0, $0, $0, $0

**TOTAL ASSETS**: $95,939, $66,152, $66,016, $14,163, $59,004, $29,105, $33,335

### LIABILITIES

- **Due to other funds**: $36, $13,889, $10,675, $2,826, $0, $4,365, $31

**TOTAL LIABILITIES**: $36, $13,889, $10,675, $2,826, $0, $4,365, $31

### FUND BALANCES (DEFICIT)

- **Nonspendable**: $0, $0, $0, $0, $0, $0, $0
- **Restricted**: $0, $0, $0, $0, $0, $0, $0
- **Committed**: $95,903, $52,263, $55,341, $11,337, $59,004, $24,740, $33,304
- **Assigned**: $0, $0, $0, $0, $0, $0, $0
- **Unassigned**: $0, $0, $0, $0, $0, $0, $0

**TOTAL FUND BALANCES (DEFICIT)**: $95,903, $52,263, $55,341, $11,337, $59,004, $24,740, $33,304

### TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)

**TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)**: $95,939, $66,152, $66,016, $14,163, $59,004, $29,105, $33,335
### TOWN OF TURNER, MAINE

**COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS**  
**JUNE 30, 2018**

<table>
<thead>
<tr>
<th></th>
<th>BQMC Building</th>
<th>Nezinscot River</th>
<th>Historic Building</th>
<th>Gar Hall Community Building</th>
<th>Computer Upgrade</th>
<th>Obsolete Building</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$ 40,090</td>
<td>$ 28,137</td>
<td>$ 10,418</td>
<td>$ 102</td>
<td>$ 4,434</td>
<td>$ -</td>
<td>$ 387,891</td>
</tr>
<tr>
<td>Investments</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>3,517</td>
<td>62,521</td>
</tr>
<tr>
<td>Due from other funds</td>
<td>5,035</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>5,035</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>$ 45,125</td>
<td>$ 28,137</td>
<td>$ 10,418</td>
<td>$ 102</td>
<td>$ 4,434</td>
<td>$ 3,517</td>
<td>$ 455,447</td>
</tr>
<tr>
<td><strong>LIABILITIES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Due to other funds</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 3</td>
<td>$ 5,098</td>
<td>$ 705</td>
<td>$ -</td>
<td>$ 37,628</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td>-</td>
<td>-</td>
<td>3</td>
<td>$ 5,098</td>
<td>$ 705</td>
<td>-</td>
<td>$ 37,628</td>
</tr>
<tr>
<td><strong>FUND BALANCES (DEFICIT)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nonspendable</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Restricted</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Committed</td>
<td>45,125</td>
<td>28,137</td>
<td>10,415</td>
<td>-</td>
<td>3,729</td>
<td>3,517</td>
<td>422,815</td>
</tr>
<tr>
<td>Assigned</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Unassigned</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(4,996)</td>
<td>-</td>
<td>-</td>
<td>(4,996)</td>
</tr>
<tr>
<td><strong>TOTAL FUND BALANCES (DEFICIT)</strong></td>
<td>45,125</td>
<td>28,137</td>
<td>10,415</td>
<td>(4,996)</td>
<td>3,729</td>
<td>3,517</td>
<td>417,819</td>
</tr>
</tbody>
</table>

**TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)**  
$ 45,125 $ 28,137 $ 10,415 $ 4,434 $ 3,517 $ 455,447

See accompanying independent auditors’ report and notes to financial statements.
**TOWN OF TURNER, MAINE**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**

**NONMAJOR CAPITAL PROJECTS FUNDS**

**FOR THE YEAR ENDED JUNE 30, 2018**

<table>
<thead>
<tr>
<th></th>
<th>Highway Equipment</th>
<th>Leavitt Institute</th>
<th>Fire Equipment Reserve</th>
<th>Rescue Unit</th>
<th>Revaluation</th>
<th>Solid Waste Reserve</th>
<th>Public Works Building</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest income</td>
<td>$ 325</td>
<td>$ 242</td>
<td>$ 212</td>
<td>$ 151</td>
<td>$ 147</td>
<td>$ 81</td>
<td>$ 108</td>
</tr>
<tr>
<td>Other</td>
<td>4,805</td>
<td>10,512</td>
<td></td>
<td></td>
<td></td>
<td>440</td>
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<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>5,130</td>
<td>10,754</td>
<td>212</td>
<td>151</td>
<td>587</td>
<td>81</td>
<td>108</td>
</tr>
<tr>
<td><strong>EXPENDITURES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital outlay</td>
<td>97,779</td>
<td>-</td>
<td>-</td>
<td>13,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>19,178</td>
<td>-</td>
<td>35,985</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL EXPENDITURES</strong></td>
<td>97,779</td>
<td>19,178</td>
<td>-</td>
<td>48,985</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>EXCESS OF REVENUES OVER (UNDER)</strong></td>
<td>(92,649)</td>
<td>(8,424)</td>
<td>212</td>
<td>(48,834)</td>
<td>587</td>
<td>81</td>
<td>108</td>
</tr>
<tr>
<td><strong>OTHER FINANCING SOURCES (USES)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers in</td>
<td>150,000</td>
<td>20,000</td>
<td>20,000</td>
<td>40,000</td>
<td>-</td>
<td>15,000</td>
<td>-</td>
</tr>
<tr>
<td>Transfers (out)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL OTHER FINANCING SOURCES (USES)</strong></td>
<td>150,000</td>
<td>20,000</td>
<td>20,000</td>
<td>40,000</td>
<td>-</td>
<td>15,000</td>
<td>-</td>
</tr>
<tr>
<td><strong>NET CHANGE IN FUND BALANCES (DEFICIT)</strong></td>
<td>57,351</td>
<td>11,576</td>
<td>20,212</td>
<td>(8,834)</td>
<td>587</td>
<td>15,081</td>
<td>108</td>
</tr>
<tr>
<td><strong>FUND BALANCES (DEFICIT) - JULY 1</strong></td>
<td>38,552</td>
<td>40,687</td>
<td>35,129</td>
<td>20,171</td>
<td>58,417</td>
<td>9,659</td>
<td>33,196</td>
</tr>
<tr>
<td><strong>FUND BALANCES (DEFICIT) - JUNE 30</strong></td>
<td>$ 95,903</td>
<td>$ 52,263</td>
<td>$ 55,341</td>
<td>$ 11,337</td>
<td>$ 59,004</td>
<td>$ 24,740</td>
<td>$ 33,304</td>
</tr>
</tbody>
</table>
### TOWN OF TURNER, MAINE

#### SCHEDULE H (CONTINUED)

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**

**NONMAJOR CAPITAL PROJECTS FUNDS**

**FOR THE YEAR ENDED JUNE 30, 2018**

<table>
<thead>
<tr>
<th></th>
<th>BQMC Building</th>
<th>Nezinscot River</th>
<th>Historic Building</th>
<th>Gar Hall Community Building</th>
<th>Computer Upgrade</th>
<th>Obsolete Building</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest income</td>
<td>$ 161</td>
<td>$ 302</td>
<td>$ 39</td>
<td>$ 10</td>
<td>$ 13</td>
<td>$ 4</td>
<td>$ 1,795</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>15,757</td>
</tr>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>161</td>
<td>302</td>
<td>39</td>
<td>10</td>
<td>13</td>
<td>4</td>
<td>17,552</td>
</tr>
</tbody>
</table>

| **EXPENDITURES**     |               |                 |                  |                             |                  |                  |       |
| Capital outlay       | -             | -               | -                | -                           | -                | -                | 110,779|
| Other                | -             | -               | -                | 3,250                       | 705              | -                | 59,118|
| **TOTAL EXPENDITURES**| -             | -               | -                | 3,250                       | 705              | -                | 169,897|

| **EXCESS OF REVENUES OVER (UNDER)** | **EXPENDITURES** | | | | | | |
| EXPENDITURES          | 161           | 302             | 39               | (3,240)                     | (692)            | 4                | (152,345)|

| **OTHER FINANCING SOURCES (USES)** |               |                 |                  |                             |                  |                  |       |
| Transfers in          | -             | -               | -                | -                           | 2,000            | -                | 247,000|
| Transfers (out)       | -             | -               | -                | -                           | -                | -                | -       |
| **TOTAL OTHER FINANCING SOURCES (USES)** | -             | -               | -                | -                           | -                | -                | 247,000|

| **NET CHANGE IN FUND BALANCES (DEFICIT)** | 161           | 302             | 39               | (3,240)                     | 1,308            | 4                | 94,655|

| **FUND BALANCES (DEFICIT) - JULY 1** | 44,964         | 27,835          | 10,376           | (1,756)                     | 2,421            | 3,513            | 323,164|

| **FUND BALANCES (DEFICIT) - JUNE 30** | $ 45,125       | $ 28,137        | $ 10,415         | $ (4,996)                   | $ 3,729          | $ 3,517         | $ 417,819|

See accompanying independent auditors’ report and notes to financial statements.
Permanent Funds

Permanent funds are used to account for assets held by the Town of Turner, 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 Unit or its citizenry. These funds have been established for various purposes including the provision and/or maintenance of cemeteries and scholarships.
### COMBINING BALANCE SHEET - NONMAJOR PERMANENT FUNDS
**JUNE 30, 2018**

#### ASSETS

<table>
<thead>
<tr>
<th></th>
<th>Cemetery 1</th>
<th>Cemetery 2</th>
<th>Edmund Davis</th>
<th>School Trust</th>
<th>Memorial Veterans</th>
<th>Grace Hill</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 433</td>
<td>$ 433</td>
</tr>
<tr>
<td>Investments</td>
<td>4,507</td>
<td>10,060</td>
<td>8,457</td>
<td>12,559</td>
<td>105,437</td>
<td>-</td>
<td>141,020</td>
</tr>
<tr>
<td>Due from other funds</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td><strong>$ 4,507</strong></td>
<td><strong>$ 10,060</strong></td>
<td><strong>$ 8,457</strong></td>
<td><strong>$ 12,559</strong></td>
<td><strong>$ 105,437</strong></td>
<td><strong>$ 434</strong></td>
<td><strong>$ 141,454</strong></td>
</tr>
</tbody>
</table>

#### LIABILITIES

<table>
<thead>
<tr>
<th></th>
<th>Cemetery 1</th>
<th>Cemetery 2</th>
<th>Edmund Davis</th>
<th>School Trust</th>
<th>Memorial Veterans</th>
<th>Grace Hill</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Due to other funds</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 75</td>
<td>$ -</td>
<td>$ 75</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>$ 75</strong></td>
</tr>
</tbody>
</table>

#### FUND BALANCES

<table>
<thead>
<tr>
<th></th>
<th>Cemetery 1</th>
<th>Cemetery 2</th>
<th>Edmund Davis</th>
<th>School Trust</th>
<th>Memorial Veterans</th>
<th>Grace Hill</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nonspendable - principal</td>
<td>4,500</td>
<td>10,000</td>
<td>7,156</td>
<td>12,138</td>
<td>4,033</td>
<td>429</td>
<td>38,256</td>
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<tr>
<td>Restricted</td>
<td>7</td>
<td>60</td>
<td>1,301</td>
<td>346</td>
<td>101,404</td>
<td>5</td>
<td>103,123</td>
</tr>
<tr>
<td>Committed</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Assigned</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Unassigned</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL FUND BALANCES</strong></td>
<td><strong>4,507</strong></td>
<td><strong>10,060</strong></td>
<td><strong>8,457</strong></td>
<td><strong>12,484</strong></td>
<td><strong>105,437</strong></td>
<td><strong>434</strong></td>
<td><strong>141,379</strong></td>
</tr>
</tbody>
</table>

#### TOTAL LIABILITIES AND FUND BALANCES

<table>
<thead>
<tr>
<th></th>
<th>Cemetery 1</th>
<th>Cemetery 2</th>
<th>Edmund Davis</th>
<th>School Trust</th>
<th>Memorial Veterans</th>
<th>Grace Hill</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$ 4,507</strong></td>
<td><strong>$ 10,060</strong></td>
<td><strong>$ 8,457</strong></td>
<td><strong>$ 12,559</strong></td>
<td><strong>$ 105,437</strong></td>
<td><strong>$ 434</strong></td>
<td><strong>$ 141,454</strong></td>
<td></td>
</tr>
</tbody>
</table>
TOWN OF TURNER, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR PERMANENT FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

<table>
<thead>
<tr>
<th></th>
<th>Cemetery 1</th>
<th>Cemetery 2</th>
<th>Edmund School</th>
<th>Memorial Veterans</th>
<th>Grace Cemetery 1</th>
<th>Cemetery 2</th>
<th>Davis Trust</th>
<th>Veteran's Hill</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest income</td>
<td>$ 18</td>
<td>$ 63</td>
<td>$ 117</td>
<td>$ 60</td>
<td>$ 2,292</td>
<td>$ 2</td>
<td></td>
<td></td>
<td>$ 2,552</td>
</tr>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>18</td>
<td>63</td>
<td>117</td>
<td>60</td>
<td>2,292</td>
<td>2</td>
<td></td>
<td></td>
<td>2,552</td>
</tr>
<tr>
<td><strong>EXPENDITURES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>27</td>
<td>154</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td>181</td>
</tr>
<tr>
<td><strong>TOTAL EXPENDITURES</strong></td>
<td>27</td>
<td>154</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td>181</td>
</tr>
<tr>
<td><strong>NET CHANGE IN FUND BALANCES</strong></td>
<td>(9)</td>
<td>(91)</td>
<td>117</td>
<td>60</td>
<td>2,292</td>
<td>2</td>
<td></td>
<td></td>
<td>2,371</td>
</tr>
<tr>
<td><strong>FUND BALANCES - JULY 1</strong></td>
<td>4,516</td>
<td>10,151</td>
<td>8,340</td>
<td>12,424</td>
<td>103,145</td>
<td>432</td>
<td></td>
<td></td>
<td>139,008</td>
</tr>
<tr>
<td><strong>FUND BALANCES - JUNE 30</strong></td>
<td>$ 4,507</td>
<td>$ 10,060</td>
<td>$ 8,457</td>
<td>$ 12,484</td>
<td>$ 105,437</td>
<td>$ 434</td>
<td></td>
<td></td>
<td>$ 141,379</td>
</tr>
</tbody>
</table>

See accompanying independent auditors’ report and notes to financial statements.
General Capital Assets

General capital assets are those assets related to activities reported in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position.
## TOWN OF TURNER, MAINE

### SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION

**JUNE 30, 2018**

<table>
<thead>
<tr>
<th></th>
<th>Land and Non-depreciable Assets</th>
<th>Buildings, Building Improvements and Land Improvements</th>
<th>Furniture, Fixtures, Equipment and Vehicles</th>
<th>Infrastructure</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>General government</td>
<td>$39,538</td>
<td>$1,020,768</td>
<td>$</td>
<td>$</td>
<td>$1,060,306</td>
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<tr>
<td>Public safety</td>
<td>20,120</td>
<td>275,093</td>
<td>894,976</td>
<td>-</td>
<td>1,190,189</td>
</tr>
<tr>
<td>Public works</td>
<td>34,150</td>
<td>199,169</td>
<td>1,619,255</td>
<td>2,067,738</td>
<td>3,920,312</td>
</tr>
<tr>
<td>Health and sanitation</td>
<td>18,000</td>
<td>14,500</td>
<td>101,135</td>
<td>-</td>
<td>133,635</td>
</tr>
<tr>
<td>Culture and recreation</td>
<td>164,237</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>164,237</td>
</tr>
<tr>
<td><strong>Total General Capital Assets</strong></td>
<td>276,045</td>
<td>1,509,530</td>
<td>2,615,366</td>
<td>2,067,738</td>
<td>6,468,679</td>
</tr>
<tr>
<td><strong>Less: Accumulated Depreciation</strong></td>
<td>-</td>
<td>(601,634)</td>
<td>(1,688,173)</td>
<td>(548,254)</td>
<td>(2,838,061)</td>
</tr>
<tr>
<td><strong>Net General Capital Assets</strong></td>
<td>$276,045</td>
<td>$907,896</td>
<td>$927,193</td>
<td>$1,519,484</td>
<td>$3,630,618</td>
</tr>
</tbody>
</table>

See accompanying independent auditors' report and notes to financial statements.
TOWN OF TURNER, MAINE

SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS BY FUNCTION
FOR THE YEAR ENDED JUNE 30, 2018

<table>
<thead>
<tr>
<th>General Capital Assets</th>
<th>7/1/17</th>
<th>Additions</th>
<th>Deletions</th>
<th>6/30/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>General government</td>
<td>$1,060,306</td>
<td>$ -</td>
<td>$ -</td>
<td>$1,060,306</td>
</tr>
<tr>
<td>Public safety</td>
<td>1,177,189</td>
<td>13,000</td>
<td>-</td>
<td>1,190,189</td>
</tr>
<tr>
<td>Public works</td>
<td>3,930,266</td>
<td>98,644</td>
<td>(108,598)</td>
<td>3,920,312</td>
</tr>
<tr>
<td>Health and sanitation</td>
<td>133,635</td>
<td>-</td>
<td>-</td>
<td>133,635</td>
</tr>
<tr>
<td>Culture and recreation</td>
<td>164,237</td>
<td>-</td>
<td>-</td>
<td>164,237</td>
</tr>
</tbody>
</table>

Total General Capital Assets | 6,269,903 | 111,644 | (108,598) | 6,468,679 |

Less: Accumulated Depreciation | (2,687,398) | (252,271) | 101,608 | (2,838,061) |

Net General Capital Assets | $3,828,153 | $(140,627) | $(6,990) | $3,630,618 |

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

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INDEPENDENT AUDITORS’ 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

Board of Selectmen
Town of Turner
Turner, 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, business-type activities, each major fund and the aggregate remaining fund information of the Town of Turner, Maine as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Town of Turner, Maine’s basic financial statements, and have issued our report thereon dated June 21, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Turner, 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 Turner, Maine’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Turner, 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 Turner, 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.

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
June 21, 2019