

NASHVILLE PLANTATION, MAINE

FINANCIAL STATEMENTS

JUNE 30, 2021

TABLE OF CONTENTS

	PAGE
INDEPENDENT AUDITORS' REPORT	1-3
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	4
STATEMENT OF ACTIVITIES	5
FUND FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUNDS AND RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION	6
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUND AND RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES	7
NOTES TO FINANCIAL STATEMENTS	8-17
REQUIRED SUPPLEMENTARY INFORMATION	
STATEMENT OF GENERAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL	18
SUPPLEMENTARY INFORMATION	
SCHEDULE OF GENERAL FUND EXPENDITURES	19
SCHEDULE OF CHANGES IN ASSIGNED FUND BALANCES – GENERAL FUND	20
SCHEDULE OF PROPERTY VALUATION AND ASSESSMENT - GENERAL FUND	21
SCHEDULE OF CHANGES IN PROPERTY TAXES - GENERAL FUND	22
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL – SCHOOL DEPARTMENT	23
RECONCILIATION OF FINANCIAL STATEMENTS TO STATE MEDMS INFORMATION	24
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	25
ADDITIONAL REPORT	
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH MAINE SCHOOL FINANCE ACT	26



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To the Board of Selectmen of
Nashville Plantation, Maine

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities, its major fund and the aggregate remaining fund information of Nashville Plantation, Maine, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Plantation's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, its major fund and the aggregate remaining fund information of Nashville Plantation, Maine, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity 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 budgetary comparison information on page 18 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 regarding 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Nashville Plantation's basic financial statements as a whole. The accompanying supplementary information on pages 19 through 25 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by the Maine School Finance Act

In accordance with the Maine School Finance Act, we have also issued our report dated August 18, 2021 on our consideration of Nashville Plantation's compliance with the requirements of the Maine School Finance Act. The purpose of that report is to describe the scope of our testing of compliance with the Maine School Finance Act.

Chester M. Kearney

Presque Isle, Maine
August 18, 2021

BASIC FINANCIAL STATEMENTS

NASHVILLE PLANTATION, MAINE

STATEMENT OF NET POSITION

JUNE 30, 2021

	Primary Government Governmental Activities
ASSETS	
Current Assets	
Cash and equivalents	233,688
Taxes receivable	5,625
Grants receivable	552
Total Current Assets	<u>239,865</u>
Non-Current Assets	
Investments	1,182,024
Capital assets, net of accumulated depreciation	9,265
Total Non-Current Assets	<u>1,191,289</u>
TOTAL ASSETS	<u>1,431,154</u>
LIABILITIES	
Accounts payable	45,886
Due to other governments	617
Total liabilities	<u>46,503</u>
NET POSITION	
Invested in capital assets	9,265
Restricted for:	
Education	25,206
Septic grant funds	1,146
Unrestricted	<u>1,349,034</u>
Total net position	<u><u>1,384,651</u></u>

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

NASHVILLE PLANTATION, MAINE

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2021

<u>Functions/Programs</u>	<u>Program Revenues</u>			<u>Net (expense) Revenues and Changes in Net Position</u>
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary Government:				
Governmental activities:				
Education	68,787		6,629	(62,158)
County tax	71,346			(71,346)
Administration	25,883			(25,883)
Ambulance service	4,614			(4,614)
Fire protection	14,587			(14,587)
Solid waste disposal	9,519			(9,519)
L.U.R.C.	9,108			(9,108)
Town roads	1,675		160	(1,515)
Ashland recreation	1,365			(1,365)
Outside agencies	2,153			(2,153)
Capital outlay	16,370			1,146
Total government activities	<u>225,407</u>	<u>-</u>	<u>6,789</u>	<u>17,516</u>
General revenues:				
Property taxes				56,471
Excise taxes				20,370
State assistance				118,068
Interest and investment income				18,721
Other revenues				9,791
Unrealized loss on investments				(13,966)
Total general revenues				<u>209,455</u>
Change in net assets				8,353
Net Position - beginning of year				<u>1,376,298</u>
Net Position - end of year				<u>1,384,651</u>

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

NASHVILLE PLANTATION, MAINE

BALANCE SHEET

GOVERNMENTAL FUNDS AND RECONCILIATION OF THE GOVERNMENTAL FUNDS

BALANCE SHEET TO THE STATEMENT OF NET POSITION

JUNE 30, 2021

	GENERAL FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS		
Current Assets		
Cash	233,688	233,688
Taxes receivable	5,625	5,625
Grants receivable	552	552
	<u>239,865</u>	<u>239,865</u>
Non-Current Assets		
Investments	1,182,024	1,182,024
Total Assets	<u>1,421,889</u>	<u>1,421,889</u>
LIABILITIES		
Accounts payable	45,886	45,886
Due to other governments	617	617
Total Liabilities	<u>46,503</u>	<u>46,503</u>
FUND BALANCES		
Restricted:		
Education	25,206	25,206
Septic grant funds	1,146	1,146
Assigned:		
Capital projects	6,025	6,025
Fire control	33,266	33,266
Town hall repairs	3,278	3,278
Unassigned	1,306,465	1,306,465
Total Fund Balance	<u>1,375,386</u>	<u>1,375,386</u>
	<u>1,421,889</u>	<u>1,421,889</u>
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE TO THE STATEMENT OF NET POSITION		
Fund Balance		1,375,386
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund.		<u>9,265</u>
Net position of government activities		<u>1,384,651</u>

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

NASHVILLE PLANTATION, MAINE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-

GOVERNMENTAL FUND AND RECONCILIATION OF THE STATEMENT

OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF

GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2021

	GENERAL FUND
REVENUES	
Property taxes	56,471
State assistance	142,373
Other revenues	48,882
TOTAL REVENUES	247,726
EXPENDITURES	
Current	
Education	68,787
County tax	71,346
Administration	24,814
Ambulance service	4,614
Fire protection	14,587
Solid waste disposal	9,519
L.U.R.C.	9,108
Town roads	1,675
Ashland recreation	1,365
Outside agencies	2,153
Capital outlay	16,370
TOTAL EXPENDITURES	224,338
OTHER ITEMS	
Unrealized loss on investments	(13,966)
EXCESS OF EXPENDITURES OVER REVENUES	9,422
NET CHANGE IN FUND BALANCE	9,422
FUND BALANCE - JULY 1, 2020	1,365,964
FUND BALANCE - JUNE 30, 2021	1,375,386
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES	
NET CHANGE IN FUND BALANCE	9,422
Amounts reported for governmental activities in the Statement of Activities are different because:	
Depreciation expense	(1,069)
Change in net position of governmental activities	8,353

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

NASHVILLE PLANTATION, MAINE
NOTES TO FINANCIAL STATEMENTS
TABLE OF CONTENTS

PAGE		
(1)	SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	8-13
(2)	BUDGETARY INFORMATION	13
(3)	CASH AND INVESTMENTS	14-15
(4)	CAPITAL ASSETS	15
(5)	LEGAL DEBT LIMIT	15
(6)	PROPERTY TAXES - GENERAL FUND	16
(7)	STATE ASSISTANCE - GENERAL FUND	16
(8)	OTHER REVENUES – GENERAL FUND	16
(9)	RISK MANAGEMENT	17
(10)	SUBSEQUENT EVENTS	17
(11)	EXCESS OF EXPENDITURES OVER APPROPRIATIONS	17
(12)	TAXES	17
(13)	COVID-19	17

NASHVILLE PLANTATION, MAINE
NOTES TO FINANCIAL STATEMENTS

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Nashville Plantation, Maine, is incorporated under the laws of the State of Maine. The Plantation is a municipal corporation that operates under the Plantation meeting, and board of selectmen form of government. The accompanying financial statements present the activities of Nashville Plantation, Maine.

The financial statements of the Plantation have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The financial statements of the Plantation consist of all funds of the Plantation and government entities that are considered to be controlled by or dependent on the Plantation. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, and appointment of the respective governing board. The Plantation has no entities that are controlled or dependent on the Plantation.

Basis of Presentation – Government-Wide and Fund Financial Statements

The statement of net position and the statement of activities display information about the Plantation as a whole. These statements include the financial activities of the overall government, except the fiduciary activities. These statements distinguish between the governmental and business-type activities, if any, of the Plantation. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external users.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Plantation's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The Plantation does not allocate indirect expenses to functions in the statement of activities. Program revenues include (a) fees, fines, and charges paid by those recipients for goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including taxes, are presented as general revenues.

Separate financial statements are provided for governmental funds, propriety funds, if any, and fiduciary funds, if any, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

NASHVILLE PLANTATION, MAINE

NOTES TO FINANCIAL STATEMENTS (cont'd.)

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd.)

Basis of Presentation – Government-Wide and Fund Financial Statements (cont'd.)

Fund financial statements provide information about the Plantation's funds including its fiduciary fund. Each individual fund is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts which constitute its assets, liabilities, fund equity, revenues and expenditures/expenses. Separate statements for each fund category – governmental, propriety, if any, and fiduciary, if any, are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

The Plantation reports the following major governmental funds:

General Fund - To account for all financial resources except those required to be accounted for in another fund. The general fund is the Plantation's operating fund.

Measurement Focus and Basis of Accounting

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the Plantation gives (or receives) value without directly receiving (or giving) equal value in exchange, includes property taxes, grants, entitlements and donations. Property taxes are recognized as revenues in the year for which they are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been met.

Governmental-fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property tax revenues are recognized in the fiscal period for which the items have been levied. This policy is believed to be in conformity with the policy of other local governments in Maine. Property taxes and inter-governmental revenues and grants are considered to be susceptible to accrual.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds from general long-term debt are reported as other financing sources.

NASHVILLE PLANTATION, MAINE

NOTES TO FINANCIAL STATEMENTS (cont'd.)

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd.)

Measurement Focus and Basis of Accounting (cont'd.)

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program, 2) operating or capital grants and contributions, and 3) capital grants and contributions, including special assessments. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Deposits and Investments

Available cash is deposited in interest-bearing accounts to as great a degree as possible. These residual investments are classified for reporting purposes as cash. Earnings from these investments are reported by the applicable funds generating the investments. All deposits are carried at cost plus accrued interest.

The laws of the State of Maine under 30-A M.R.S.A. Sections 5706-5719 limit investment of municipal funds to investments described within that law. The law authorizes the Plantation to invest in various financial institutions insured by Federal Deposit Insurance Corporation and the National Credit Union Association.

Repurchase agreements are allowed to the extent secured by the obligations of the United States Government, as defined in Section 5712, Subsection 1, provided that the market value of the underlying obligation is equal to or greater than the amount of the municipality's investment and that the municipality's security interest is perfected.

Investments in mutual funds are limited to bonds and other direct obligations of the United States Government or repurchase agreements secured by bonds and other direct obligations of the United States Government.

For other securities, including the above-mentioned investment vehicles, minimum security quality grade requirements are mandated in conjunction with percentage limitations of reserve amounts or portfolio balances, depending upon the type of the applicable securities purchased.

Tax acquired property

The Plantation records all tax acquired property at the lesser of fair market value or the taxes due on the property at the time of foreclosure. As of June 30, 2021, the Plantation did not have any tax acquired property.

Cash and Cash Equivalents

Nashville Plantation considers all highly liquid investments (including restricted assets) with a maturity of three (3) months or less when purchased to be cash equivalents.

NASHVILLE PLANTATION, MAINE

NOTES TO FINANCIAL STATEMENTS (cont'd.)

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd.)

Receivables and Payables

All outstanding uncollected taxes are considered fully collectible by management of the Plantation. Thus, no reserve for uncollectable taxes has been established.

Property Taxes

Property taxes are levied as of April 1, 2020 and are used to finance the operations of the Plantation for the fiscal year beginning July 1, 2020. Taxes are committed for collection on November 10, 2020 and are due and payable on or before January 10, 2021. In accordance with Maine law, taxes not collected within 8 months following the date of commitment are secured by liens.

Property taxes levied during the year were recorded as receivables at the time the levy was made. The receivables collected during the year and in the first sixty days following the end of the fiscal year have been recorded as revenues. The remaining receivables have been recorded as deferred revenues. Tax liens are placed on real property within twelve months following the tax commitment date if taxes are delinquent. The Plantation has the authority to foreclose on property eighteen months after the filing of the lien if the tax lien and associated costs remain unpaid.

Capital Assets

All purchased or constructed capital assets are reported at cost or estimated historical cost. Subsequently, purchased or constructed capital assets are reported at cost or estimated historical cost and donated fixed assets are recorded at their estimated fair value at the date of donation. Due to the Plantation's size, the Plantation is not required to report major general infrastructure assets retroactively. It is the Plantation's policy to report major general infrastructure assets prospectively. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are defined by the Plantation as assets with an initial individual cost of more than \$1,000 and an estimated useful life in excess of 2 years. These capital assets, which include property, plant, equipment and infrastructure assets (roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

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

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Buildings	20
Equipment	5
Land and Office Improvements	15

NASHVILLE PLANTATION, MAINE

NOTES TO FINANCIAL STATEMENTS (cont'd.)

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd.)

Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide statement, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund Equity

The Plantation follows Government Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54). GASB 54 establishes a fund balance hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds and defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

Under the GASB #54 reporting format, fund balance is reported as follows:

- Non-spendable-Items that are either not in spendable form or legally or contractually required to remain intact.
- Restricted fund balance-Resources that have constraints imposed by creditors, grantors, contributors or laws and regulations of other governments; or amounts that have very stringent conditions imposed by external parties or law.
- Unrestricted fund balance-Has 3 components;
 - Committed fund balance-Amounts with internally imposed restrictions mandated by the government's highest level of decision making authority which require action from that authority to be redeployed. In the case of Nashville Plantation, this action requires a vote at a town meeting.
 - Assigned fund balance-Amounts that are constrained by the government's intent that they will be used for specific purposes. Decision making authority with respect to these amounts lies with a committee or other government official (board of selectpersons) but not the highest level authority.
 - Undesignated fund balance-This is the residual balance of the general fund which represents the remaining fund balance after allocation to the other fund balance categories. It reflects resources that are available for further appropriation and expenditure for general governmental purposes.

Net Position

Net position represents the difference between assets and liabilities. Invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the Plantation or through external restrictions.

NASHVILLE PLANTATION, MAINE

NOTES TO FINANCIAL STATEMENTS (cont'd.)

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd.)

Other General Items

The Plantation is exposed to various risks of loss related to torts; theft of, damages to and destruction of assets; errors and omissions; and natural disasters for which the Plantation carries commercial insurance. Settled claims, if any, resulting from these risks, have not exceeded commercial insurance coverage.

Minimum Fund Balance

The council has not adopted a financial policy to maintaining a minimum level of unrestricted fund balance in the general fund.

Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Abatements

The Planation negotiates property tax abatement agreements on an individual taxpayer basis. The Plantation had \$98 of tax abatements in the year ending June 20, 2021.

Compensated Absences

The Planation does not provide any post-employment benefits or paid time off for its employees.

(2) BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds except for special revenue funds and the capital projects funds, which adopt project-length budgets.

The budget is prepared by the Board of Assessors. From this information, warrant articles are prepared for the annual Plantation meeting. The warrant articles include budget recommendations of the Board of Assessors as well as the prior years appropriated amounts.

The 2020-2021 fiscal budget was approved at the annual Plantation meeting held on October 28, 2020.

NASHVILLE PLANTATION, MAINE

NOTES TO FINANCIAL STATEMENTS (cont'd.)

(3) CASH AND INVESTMENTS

The Plantation's deposits at year end were covered in full by Federal Depository Insurance Corporation (FDIC) and collateralized in the amount of \$239,975.

The Plantation's cash is categorized to give an indication of the level of risk assumed by the Plantation at year end. These categories are defined as follows:

Category #1 - Insured or collateralized with securities held by the Plantation or by its agent in the Plantation's name.

Category #2 - Collateralized with securities held by the pledging financial institutions Trust department or agent in the Plantation's name.

Category #3 - Uncollateralized, which includes any bank balance that is collateralized with securities held by the pledging financial institution or by its trust department or agent but not in the Plantation's name.

At June 30, 2021, the Plantation's funds were on deposit with the banks listed below:

<u>BANK - TYPE OF ACCOUNT</u>	<u>CARRYING AMOUNT</u>	<u>BANK BALANCE</u>	<u>CATEGORY</u>		
			<u>#1</u>	<u>#2</u>	<u>#3</u>
Katahdin Trust Company					
Checking account	233,588	239,975	239,975		
Petty Cash	100				
	<u>233,688</u>	<u>239,975</u>	<u>239,975</u>	<u>None</u>	<u>None</u>

The Plantation's investments carried at fair market value as of June 30 are:

	<u>Temporary Cash and Equivalents</u>	<u>Government and Agency Issues</u>	<u>Total</u>
June 30, 2021			
Fair Value	-	1,182,024	1,182,024
Cost	-	<u>1,157,218</u>	<u>1,157,218</u>
Unrealized gain	=	<u>24,806</u>	<u>24,806</u>
June 30, 2020			
Fair Value	-	1,177,710	1,177,710
Cost	-	<u>1,122,293</u>	<u>1,122,293</u>
Unrealized gain	=	<u>55,417</u>	<u>55,417</u>

NASHVILLE PLANTATION, MAINE

NOTES TO FINANCIAL STATEMENTS (cont'd.)

(3) CASH AND INVESTMENTS (cont'd.)

The following summarizes the relationship between cost and market values of invested assets:

	<u>Cost</u>	<u>Market</u>	<u>Excess of Market Over Cost</u>
Balance at end of year	1,157,218	1,182,024	24,806
Unrealized gains from prior years			<u>38,772</u>
Total unrealized loss for the year			<u>(13,966)</u>
Investments consist of:			
Fixed income government bonds			314,994
CD's			376,016
Insured money market account			<u>491,014</u>
			<u>1,182,024</u>

(4) CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2021 is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, being depreciated:				
Buildings	8,000			8,000
Equipment	2,712			2,712
Office Improvements	9,206			9,206
Land Improvements	<u>6,837</u>			<u>6,837</u>
Total capital assets being depreciated	<u>26,755</u>			<u>26,755</u>
Less accumulated depreciation for:				
Buildings	8,000			8,000
Equipment	2,712			2,712
Office Improvements	4,911	614		5,525
Land Improvements	<u>798</u>	<u>455</u>		<u>1,253</u>
Total accumulated depreciation	<u>16,421</u>	<u>1,069</u>		<u>17,490</u>
Capital assets, net	<u>10,334</u>	<u>(1,069)</u>	<u>-0-</u>	<u>9,265</u>

(5) LEGAL DEBT LIMIT

The maximum legal debt limit for the Plantation is \$1,290,000, 7.5% of the 2020 state valuation of the Plantation, which amounted to \$17,196,800.

NASHVILLE PLANTATION, MAINE

NOTES TO FINANCIAL STATEMENTS (cont'd.)

(6) PROPERTY TAXES - GENERAL FUND

Property taxes are made up of the following:

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
Commitment	55,127	56,749	1,622
Discounts and Abatements	<u>(2,000)</u>	<u>(278)</u>	<u>1,722</u>
	<u>53,127</u>	<u>56,471</u>	<u>3,344</u>

For the fiscal year ended June 30, 2021 Nashville Planation received approximately 50% of its property tax revenue from one taxpayer.

(7) STATE ASSISTANCE - GENERAL FUND

These revenues, at June 30, 2021, are as follows:

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
Revenue Sharing	235	288	53
Education subsidy	-0-	6,629	6,629
Tree Growth	-0-	2,438	2,438
BETE Reimbursement	115,111	114,693	(418)
Homestead Exemption	693	649	(44)
Septic Grant	-0-	17,516	17,516
Other	<u>-0-</u>	<u>160</u>	<u>160</u>
	<u>116,039</u>	<u>142,373</u>	<u>26,334</u>

(8) OTHER REVENUES - GENERAL FUND

These revenues, at June 30, 2021, are as follows:

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
Interest	-0-	325	325
Investment income	-0-	18,396	18,396
Excise taxes	18,000	20,370	2,370
Other	<u>-0-</u>	<u>9,791</u>	<u>9,791</u>
	<u>18,000</u>	<u>48,882</u>	<u>30,882</u>

NASHVILLE PLANTATION, MAINE

NOTES TO FINANCIAL STATEMENTS (cont'd.)

(9) RISK MANAGEMENT

Nashville Plantation is exposed to various risks of losses related to torts: theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Plantation maintains insurance coverage for part of its risk management. Expenditures and claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered. The Plantation's management estimates that the amount of actual or potential claims against the Plantation as of June 30, 2021 will not materially affect the financial condition of the Plantation.

(10) SUBSEQUENT EVENTS

Management has evaluated all subsequent events through August 18, 2021, the date the financial statements were available to be issued, and determined that no additional disclosures are required in order for these financial statements to be fairly stated.

(11) EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the year ended June 30, 2021, expenditures exceeded appropriations in the town roads, outside agencies and capital outlay functions.

(12) TAXES

As a municipal entity, the Plantation is not subject to Federal and State income taxes, accordingly it is not necessary to consider the effects of any uncertain tax positions.

The Plantation's payroll tax returns are subject to review and examination by federal and state authorities. No examinations have been conducted by the federal or state taxing authorities and no correspondence has been received from these authorities.

(13) COVID-19

The COVID-19 outbreak in the United States has caused disruption through mandated and voluntary closings. Management is presently evaluating the effect of the disruptions on operations. The related financial impact and duration cannot be reasonably estimated at this time by management.

REQUIRED SUPPLEMENTARY INFORMATION

NASHVILLE PLANTATION, MAINE

STATEMENT OF GENERAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2021

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
Property taxes				
Commitment	55,127	55,127	56,749	1,622
Discounts and abatements	(2,000)	(2,000)	(278)	1,722
Net property taxes	53,127	53,127	56,471	3,344
State assistance				
Revenue sharing	235	235	288	53
Education subsidy	-	-	6,629	6,629
Tree growth	-	-	2,438	2,438
BETE reimbursement	115,111	115,111	114,693	(418)
Homestead exemption	693	693	649	(44)
Miscellaneous State assistance	-	-	160	160
Septic grant	-	-	17,516	17,516
Other revenues				
Interest	-	-	325	325
Investment income	-	-	18,396	18,396
Other	18,000	18,000	30,161	12,161
TOTAL REVENUES	187,166	187,166	247,726	60,560
EXPENDITURES				
Education	84,771	84,771	68,787	15,984
County tax	71,346	71,346	71,346	-
Administration	27,159	27,159	24,814	2,345
Ambulance service	4,614	4,614	4,614	-
Fire protection	14,587	14,587	14,587	-
Solid waste disposal	10,660	10,660	9,519	1,141
L.U.R.C.	9,108	9,108	9,108	-
Town roads	-	-	1,675	(1,675)
Ashland recreation	1,365	1,365	1,365	-
Outside agencies	1,653	1,653	2,153	(500)
Capital outlay	-	-	16,370	(16,370)
TOTAL EXPENDITURES	225,263	225,263	224,338	925
OTHER ITEMS				
Unrealized loss on investments	-	-	(13,966)	(13,966)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(38,097)	(38,097)	9,422	47,519
NET CHANGE IN FUND BALANCE	(38,097)	(38,097)	9,422	47,519
FUND BALANCE - JULY 1, 2020			1,365,964	
FUND BALANCE - JUNE 30, 2021			1,375,386	

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

SUPPLEMENTARY INFORMATION

NASHVILLE PLANTATION, MAINE
SCHEDULE OF GENERAL FUND EXPENDITURES
YEAR ENDED JUNE 30, 2021

	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Administration			
Salaries	8,300	8,344	(44)
Town services	5,820	6,570	(750)
Professional fees	3,200	3,300	(100)
M.M.A.	1,430	1,414	16
General government	1,600	2,319	(719)
Worker's compensation	500	439	61
Property and casualty insurance	2,609	2,306	303
General assistance	200	-	200
Incidental	3,500	-	3,500
Building and property repairs	-	110	(110)
Other	-	12	(12)
	<u>27,159</u>	<u>24,814</u>	<u>2,345</u>
Outside Agencies			
A.C.A.P.	9	9	-
Aroostook Agency on Aging	50	50	-
Ashland Logging Museum	100	100	-
Ashland Library	507	507	-
Central Aroostook Humane Society	87	87	-
Homeless Services of Aroostook	100	100	-
Northern Maine Veterans Cemetery	500	500	-
Patten Lumberman's Museum	100	100	-
Central Aroostook Soil and Water	100	100	-
Maine Public Broadcasting	100	100	-
Scholarship	-	500	(500)
	<u>1,653</u>	<u>2,153</u>	<u>(500)</u>

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

NASHVILLE PLANTATION, MAINE

SCHEDULE OF CHANGES IN ASSIGNED FUND BALANCES - GENERAL FUND

YEAR ENDED JUNE 30, 2021

	BALANCE JULY 1	APPRO- PRIATION	RECEIPTS	DISBURSE- MENTS	TRANSFERS FROM (TO) SURPLUS	BALANCE JUNE 30
Assigned for Subsequent years'						
expenditures						
Capital projects	\$ 6,025	\$ -	\$ -	\$ -	\$ -	\$ 6,025
Fire control	33,266	-	-	-	-	33,266
Town hall repairs	3,278	-	-	-	-	3,278
	<u>\$ 42,569</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,569</u>

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

NASHVILLE PLANTATION, MAINE

SCHEDULE OF PROPERTY VALUATION AND ASSESSMENT - GENERAL FUND

YEAR ENDED JUNE 30, 2021

	<u>REAL ESTATE</u>	<u>PERSONAL PROPERTY</u>	<u>TOTAL</u>
ASSESSED VALUATION	16,357,000	839,800	17,196,800
TAX RATE PER \$1,000			<u>3.300</u>
			<u>56,749</u>

COMPUTATION OF ASSESSMENT

TAX COMMITMENT	56,749	
Less: Abatements and discounts	-	
	<u>56,749</u>	
ESTIMATED REVENUES		
State Municipal Revenue Sharing	235	
Homestead Reimbursement	693	
BETE Reimbursement	115,111	
Other Revenue	<u>18,000</u>	
	<u>134,039</u>	190,788
APPROPRIATIONS		
Municipal	71,146	
Education	46,674	
County tax	<u>71,346</u>	<u>189,166</u>
OVERLAY		<u>1,622</u>

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

NASHVILLE PLANTATION, MAINE

SCHEDULE OF CHANGES IN PROPERTY TAXES - GENERAL FUND

YEAR ENDED JUNE 30, 2021

	<u>TOTAL</u>	<u>2020/21 TAXES</u>	<u>2019/20 TAXES</u>
UNCOLLECTED AT JULY 1, 2020	-	-	-
2020 COMMITMENT	56,749	56,749	-
2020 SUPPLEMENTAL	-	-	-
	<u>56,749</u>	<u>56,749</u>	<u>-</u>
COLLECTIONS	50,846	50,846	-
ABATEMENTS AND DISCOUNTS	278	278	-
	<u>51,124</u>	<u>51,124</u>	<u>-</u>
UNCOLLECTED AT JUNE 30, 2021	<u>5,625</u>	<u>5,625</u>	<u>-</u>
REPRESENTED BY			
Personal property taxes		362	-
Real estate taxes (liens)		5,263	-
		<u>5,625</u>	<u>-</u>

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

NASHVILLE PLANTATION, MAINE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL - SCHOOL DEPARTMENT

YEAR ENDED JUNE 30, 2021

	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Property taxes	46,674	46,674	-
State assistance	6,629	6,629	-
	<u>53,303</u>	<u>53,303</u>	<u>-</u>
EXPENDITURES			
Instruction			-
Regular	56,810	49,345	7,465
Special	15,000	6,465	8,535
Administration	5,951	5,951	-
Transportation	7,010	6,510	500
Local entitlement	-	-	-
	<u>84,771</u>	<u>68,271</u>	<u>16,500</u>
TOTAL EXPENDITURES			
	<u>(31,468)</u>	<u>(14,968)</u>	<u>16,500</u>
EXCESS OF REVENUES UNDER EXPENDITURES			
	<u>(31,468)</u>	<u>(14,968)</u>	<u>16,500</u>
NET CHANGE IN FUND BALANCE			
	<u>(31,468)</u>	<u>(14,968)</u>	<u>16,500</u>
FUND BALANCE - JULY 1, 2020		<u>40,174</u>	
FUND BALANCE - JUNE 30, 2021		<u>25,206</u>	

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

NASHVILLE PLANTATION, MAINE

RECONCILIATION OF FINANCIAL STATEMENTS TO STATE MEDMS INFORMATION

YEAR ENDED JUNE 30, 2021

	<u>Education</u>
June 30 balance as per MEDMS Financial System	\$ -
Due from Town adjustments	25,722
Expenditure adjustments	(516)
Audited GAAP Basis Fund Balance	<u>\$ 25,206</u>

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

NASHVILLE PLANTATION, MAINE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2021

Federal Grantor/ Pass-through Grantor/ <u>Program Title</u>	Federal CFDA <u>Number</u>	Agency or Pass-through <u>Number</u>	<u>Expenditures</u>
U.S. Department of Education			
Pass through the State of Maine Department of Education			
IDEA/School Age	84.027	013-05A-3046-13	\$ -
Total Federal Awards Expended			<u>\$ -</u>

Footnotes:

- *Indicates a major program
- This schedule is presented on the accrual basis

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

ADDITIONAL REPORT



Chester M. Kearney
Certified Public Accountants

12 Dyer Street, Presque Isle, Maine 04769-1550
207-764-3171 Fax 207-764-6362

Barbara E. McGuire, CPA, CGMA
Timothy P. Poitras, CPA, CGMA

To the Board of Selectmen
of Nashville Plantation, Maine

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH THE REQUIREMENTS OF THE MAINE SCHOOL FINANCE ACT

We have audited the financial statements of Nashville Plantation, Maine as of and for the year ended June 30, 2021, and have issued our report thereon dated August 18, 2021.

The management of Nashville Plantation, Maine is responsible for the Plantation's compliance with laws and regulations. In connection with the audit referred to above, we selected and tested transactions and records to determine the Plantation's compliance with laws and regulations noncompliance with which could have a material effect on the financial statements of Nashville Plantation, Maine.

Title 20-A Sec 6051 requires certain written assurances with respect to plantation audits. Our audit of compliance with the laws and regulations consisted as a minimum the following:

1. A determination of whether or not the Plantation has complied with budget content requirements pursuant to section 15693.
2. A determination of whether or not the Plantation has complied with transfer limitations between budget cost centers pursuant to section 1485.
3. A determination of whether or not the Plantation has exceeded its authority to expend funds.
4. A determination as to whether or not the annual financial data submitted to the department is correct.
5. A determination of whether or not the Plantation was in compliance with applicable provisions of the Essential Programs and Services Funding Act.

The results of our tests indicate that, for the items tested, Nashville Plantation, Maine complied with those provisions of Maine laws and regulations. Nothing came to our attention that caused us to believe that for the items not tested, Nashville Plantation, Maine was not in compliance with Maine laws or regulations.

Chester M. Kearney

Presque Isle, Maine
August 18, 2021