

Audited Financial Statements
and Other Financial Information

Town of Anson, Maine

December 31, 2024



Proven Expertise & Integrity

TOWN OF ANSON, MAINE

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DECEMBER 31, 2024

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INDEPENDENT AUDITOR'S REPORT

Selectboard
Town of Anson
Anson, Maine

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Town of Anson, Maine as of and for the year ended December 31, 2024 and the related notes to the financial statements, which collectively comprise the Town of Anson, Maine's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of the Town of Anson, Maine as of December 31, 2024 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Anson, Maine and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Anson, Maine's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Anson, Maine's internal control. Accordingly, no such opinion is expressed.

- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise doubt about the Town of Anson, Maine's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and OPEB information on pages 5 through 12 and 53 through 57 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Anson, Maine's basic financial statements. The Schedule of Departmental Operations - General Fund, combining and individual nonmajor fund financial statements and capital asset schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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 January 5, 2026, on our consideration of the Town of Anson, Maine's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Town of Anson's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Anson, Maine's internal control over financial reporting and compliance.

RHR Smith & Company

Buxton, Maine
January 5, 2026

**REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

(UNAUDITED)

The following management's discussion and analysis of the Town of Anson, Maine's financial performance provides an overview of the Town's financial activities for the fiscal year ended December 31, 2024. Please read it in conjunction with the Town of Anson, Maine's financial statements.

Financial Statement Overview

The Town of Anson, 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, pension and OPEB information 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 regard 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 Anson, Maine 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, recreation and culture, health and welfare, education 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 Anson include the sewer 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 Anson, 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 Anson 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's financial statement.

The Town of Anson, 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 Anson, Maine maintains one proprietary fund, the sewer 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 Fund.

Required Supplementary Information

The basic financial statements are followed by a section of required supplementary information, which includes Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund, Schedule of Changes in Net OPEB Liability, Schedule of Changes in Net OPEB Liability and Related Ratios, Schedule of Contributions - OPEB and Notes to Required Supplementary Information.

Other Supplementary Information

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

Government-Wide Financial Analysis

Our analysis below focuses on the net position and changes in net position of the Town's governmental activities. The Town's total governmental net position increased by \$1,657,693 from \$6,462,048 to \$8,119,741. The Town's total business-type net position increased by \$30,329 from \$239,502 to \$269,831.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements - decreased for governmental activities to a balance of \$3,426,469 at the end of this year. Unrestricted net position for business-type activities increased to a balance of \$106,406.

Table 1
Town of Anson, Maine
Net Position
December 31,

	Governmental Activities		Business-type Activities	
	2024	2023 (Restated)	2024	2023
Assets				
Current Assets	\$ 3,602,074	\$ 3,706,813	\$ 127,826	\$ 100,108
Noncurrent Assets - Capital	6,190,393	3,731,884	143,422	154,229
Total Assets	<u>9,792,467</u>	<u>7,438,697</u>	<u>271,248</u>	<u>254,337</u>
Deferred Outflows of Resources				
Deferred Outflows Related to OPEB	16,933	8,715	-	-
Total Deferred Outflows of Resources	<u>16,933</u>	<u>8,715</u>	<u>-</u>	<u>-</u>
Liabilities				
Current Liabilities	433,392	268,847	1,417	14,835
Noncurrent Liabilities	1,216,772	670,810	-	-
Total Liabilities	<u>1,650,164</u>	<u>939,657</u>	<u>1,417</u>	<u>14,835</u>
Deferred Inflows of Resources				
Prepaid Taxes	8,170	15,519	-	-
Deferred Inflows Related to OPEB	31,325	30,188	-	-
Total Deferred Inflows of Resources	<u>39,495</u>	<u>45,707</u>	<u>-</u>	<u>-</u>
Net Position				
Net Investment in Capital Assets	4,672,848	2,632,610	143,422	154,229
Restricted	20,424	217,323	20,003	20,003
Unrestricted	3,426,469	3,612,115	106,406	65,270
Total Net Position	<u>\$ 8,119,741</u>	<u>\$ 6,462,048</u>	<u>\$ 269,831</u>	<u>\$ 239,502</u>

Revenues and Expenses

Revenues for the Town's governmental activities increased by 31.54%, while total expenses decreased by 8.76%. The biggest increase in revenues was in operating grants and contributions and property taxes. The largest decreases in expenses were in general government and unclassified.

Revenues for the Town's business-type activities increased by 19.29% and expenses decreased by 21.13%.

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

	Governmental Activities		Business-type Activities	
	2024	2023	2024	2023
Revenues				
<i>Program revenues:</i>				
Charges for services	\$ 85,346	\$ 70,682	\$ 150,196	\$ 148,320
Operating grants and contributions	1,613,128	59,980	-	-
<i>General revenues:</i>				
Property taxes	3,554,942	3,040,697	-	-
Excise taxes	582,558	527,105	-	-
Grants and contributions not restricted to specific programs	858,509	1,382,944	-	-
Miscellaneous	159,255	129,008	31,484	3,975
Total revenues	<u>6,853,738</u>	<u>5,210,416</u>	<u>181,680</u>	<u>152,295</u>
Expenses				
General government	445,057	479,973	-	-
Public safety	644,433	598,350	-	-
Public works	751,734	750,096	-	-
Recreation and culture	45,147	43,338	-	-
Health and welfare	284,091	248,879	151,351	191,896
Education	2,369,120	2,099,750	-	-
County tax	445,182	423,963	-	-
Unclassified	202,683	1,039,408	-	-
Interest on long-term debt	8,598	11,297	-	-
Total expenses	<u>5,196,045</u>	<u>5,695,054</u>	<u>151,351</u>	<u>191,896</u>
Change in net position	<u>1,657,693</u>	<u>(484,638)</u>	<u>30,329</u>	<u>(39,601)</u>
Net Position - January 1, As Previously Reported	5,947,816	6,432,454	239,502	279,103
Net Position Correction	<u>514,232</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Position - January 1, As Restated	<u>6,462,048</u>	<u>6,432,454</u>	<u>239,502</u>	<u>279,103</u>
Net position - December 31	<u>\$ 8,119,741</u>	<u>\$ 5,947,816</u>	<u>\$ 269,831</u>	<u>\$ 239,502</u>

Financial Analysis of the Town's Fund Statements

Governmental funds: The financial reporting focus of the Town's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information may be useful in assessing the Town's financial requirements. In particular, unassigned fund balance may serve as a useful measure of a government's financial position at the end of the year and the net resources available for spending.

Table 3
Town of Anson, Maine
Fund Balances - Governmental Funds
December 31,

	<u>2024</u>	<u>2023 (Restated)</u>	<u>Increase/ (Decrease)</u>
Major Fund:			
General Fund:			
Nonspendable	\$ -	\$ 10,631	\$ (10,631)
Committed	80,801	1,164,843	(1,084,042)
Unassigned	2,907,953	1,874,570	1,033,383
Total General Fund	<u>\$ 2,988,754</u>	<u>\$ 3,050,044</u>	<u>\$ (61,290)</u>
Nonmajor Funds:			
Special Revenue Funds:			
Committed	\$ 224,496	\$ 7,995	\$ 216,501
Unassigned (deficit)	(330,822)	-	(330,822)
Capital Projects Funds:			
Committed	240,904	561,851	(320,947)
Permanent Funds:			
Nonspendable	7,050	7,050	-
Restricted	13,374	13,369	5
Total Nonmajor Funds	<u>\$ 155,002</u>	<u>\$ 590,265</u>	<u>\$ (435,263)</u>

The changes to total fund balances for the general fund and other governmental funds occurred due to the regular activity of operations.

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 sewer fund had an increase in net position for the year of \$30,329.

Budgetary Highlights

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

The general fund actual revenues exceeded budgeted amounts by \$24,858. This was the result of most revenues being receipted within or in excess of budgeted amounts with the exception of property taxes, intergovernmental - state revenue sharing, intergovernmental - homestead reimbursement and intergovernmental - BETE reimbursement.

The general fund actual expenditures were below budget by \$113,852. All expenditure categories were within or below budget with the exception of public safety and health and welfare.

Capital Asset and Debt Administration

Capital Assets

As of December 31, 2024, the net book value of capital assets recorded by the Town increased by \$2,447,702. This increase was the result of capital additions of \$2,860,285, less net disposals of \$121,142 and current year depreciation expense of \$291,441.

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

	2024	2023 (Restated)
Land and other assets not being depreciated	\$ 204,107	\$ 167,107
Buildings, building improvements and land improvements	2,080,208	596,311
Equipment, machinery and vehicles	1,997,897	839,843
Infrastructure	2,014,603	2,000,359
Construction in progress	37,000	282,493
Total	<u>\$ 6,333,815</u>	<u>\$ 3,886,113</u>

Debt

At December 31, 2024, the Town had \$1,517,545 in bonds, notes from direct borrowings payable and a lease liability versus \$1,109,502 last year. Refer to Note 6 of Notes to Financial Statements for more detailed information on debt.

Economic Factors and Next Year's Budgets and Rates

The 2025 budget could be severely impacted by the reduction of funding from the State. There is no indication of reduced funding from the State for 2025 as of the date this report was issued.

The Town has steadily maintained a sufficient unassigned fund balance to sustain government operations for a period of approximately seven 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, investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town Manager or Finance Director at P.O. Box 297, 5 Kennebec Street, Anson, Maine 04911.

TOWN OF ANSON, MAINE

STATEMENT OF NET POSITION
DECEMBER 31, 2024

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 2,428,440	\$ 87,008	\$ 2,515,448
Investments	21,719	-	21,719
Accounts receivable - grants	328,072	-	328,072
Accounts receivable (net of allowance for uncollectibles):			
Taxes	413,292	-	413,292
Liens	80,413	-	80,413
Other	319,783	51,173	370,956
Internal balances	10,355	(10,355)	-
Total current assets	<u>3,602,074</u>	<u>127,826</u>	<u>3,729,900</u>
Noncurrent assets:			
Capital assets:			
Land and other assets not being depreciated	120,027	84,080	204,107
Depreciable assets, net of accumulated depreciation	6,070,366	59,342	6,129,708
Total noncurrent assets	<u>6,190,393</u>	<u>143,422</u>	<u>6,333,815</u>
TOTAL ASSETS	<u>9,792,467</u>	<u>271,248</u>	<u>10,063,715</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to OPEB	16,933	-	16,933
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>16,933</u>	<u>-</u>	<u>16,933</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 9,809,400</u>	<u>\$ 271,248</u>	<u>\$ 10,080,648</u>

STATEMENT A (CONTINUED)

TOWN OF ANSON, MAINE

STATEMENT OF NET POSITION
DECEMBER 31, 2024

	Governmental Activities	Business-type Activities	Total
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 77,337	\$ 1,417	\$ 78,754
Accrued expenses	2,500	-	2,500
Current portion of long-term obligations	353,555	-	353,555
Total current liabilities	433,392	1,417	434,809
Noncurrent liabilities:			
Noncurrent portion of long-term obligations:			
Bonds payable	616,401	-	616,401
Notes from direct borrowings payable	279,965	-	279,965
Lease liability	268,871	-	268,871
Net OPEB liability	44,472	-	44,472
Accrued compensated absences	7,063	-	7,063
Total noncurrent liabilities	1,216,772	-	1,216,772
TOTAL LIABILITIES	1,650,164	1,417	1,651,581
DEFERRED INFLOWS OF RESOURCES			
Prepaid taxes	8,170	-	8,170
Deferred inflows related to OPEB	31,325	-	31,325
TOTAL DEFERRED INFLOWS OF RESOURCES	39,495	-	39,495
NET POSITION			
Net investment in capital assets	4,672,848	143,422	4,816,270
Restricted	20,424	20,003	40,427
Unrestricted	3,426,469	106,406	3,532,875
TOTAL NET POSITION	8,119,741	269,831	8,389,572
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 9,809,400	\$ 271,248	\$ 10,080,648

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

TOWN OF ANSON, MAINE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business- type Activities	Total
Governmental activities:							
General government	\$ 445,057	\$ 34,637	\$ -	\$ -	\$ (410,420)	\$ -	\$ (410,420)
Public safety	644,433	50,709	-	-	(593,724)	-	(593,724)
Public works	751,734	-	60,748	-	(690,986)	-	(690,986)
Recreation and culture	45,147	-	-	-	(45,147)	-	(45,147)
Health and welfare	284,091	-	-	-	(284,091)	-	(284,091)
Education	2,369,120	-	-	-	(2,369,120)	-	(2,369,120)
County tax	445,182	-	-	-	(445,182)	-	(445,182)
Unclassified	202,683	-	1,552,380	-	1,349,697	-	1,349,697
Interest on long-term debt	8,598	-	-	-	(8,598)	-	(8,598)
Total governmental activities	<u>5,196,045</u>	<u>85,346</u>	<u>1,613,128</u>	<u>-</u>	<u>(3,497,571)</u>	<u>-</u>	<u>(3,497,571)</u>
Business-type activities:							
Sewer	151,351	150,196	-	-	-	(1,155)	(1,155)
Total business-type activities	<u>151,351</u>	<u>150,196</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,155)</u>	<u>(1,155)</u>
Total government	<u>\$ 5,347,396</u>	<u>\$ 235,542</u>	<u>\$ 1,613,128</u>	<u>\$ -</u>	<u>(3,497,571)</u>	<u>(1,155)</u>	<u>(3,498,726)</u>

STATEMENT B (CONTINUED)

TOWN OF ANSON, MAINE

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Governmental Activities	Business-type Activities	Total
Changes in net position:			
Net (expense) revenue	<u>(3,497,571)</u>	<u>(1,155)</u>	<u>(3,498,726)</u>
General revenues:			
Taxes:			
Property taxes, levied for general purposes	3,554,942	-	3,554,942
Excise taxes	582,558	-	582,558
Grants and contributions not restricted to specific programs	858,509	-	858,509
Miscellaneous	159,255	31,484	190,739
Total general revenues	<u>5,155,264</u>	<u>31,484</u>	<u>5,186,748</u>
Change in net position	<u>1,657,693</u>	<u>30,329</u>	<u>1,688,022</u>
NET POSITION - JANUARY 1, AS PREVIOUSLY REPORTED	5,947,816	239,502	6,187,318
NET POSITION CORRECTION	<u>514,232</u>	<u>-</u>	<u>514,232</u>
NET POSITION - JANUARY 1, AS RESTATED	<u>6,462,048</u>	<u>239,502</u>	<u>6,701,550</u>
NET POSITION - DECEMBER 31	<u>\$ 8,119,741</u>	<u>\$ 269,831</u>	<u>\$ 8,389,572</u>

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

TOWN OF ANSON, MAINE

BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2024

	General Fund	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 2,209,171	\$ 219,269	\$ 2,428,440
Investments	1,295	20,424	21,719
Accounts receivable - grants	-	328,072	328,072
Accounts receivable (net of allowance for uncollectibles):			
Taxes	413,292	-	413,292
Liens	80,413	-	80,413
Other	319,783	-	319,783
Due from other funds	703,429	280,311	983,740
TOTAL ASSETS	<u>\$ 3,727,383</u>	<u>\$ 848,076</u>	<u>\$ 4,575,459</u>
LIABILITIES			
Accounts payable	\$ 77,337	\$ -	\$ 77,337
Accrued expenses	2,500	-	2,500
Due to other funds	280,311	693,074	973,385
TOTAL LIABILITIES	<u>360,148</u>	<u>693,074</u>	<u>1,053,222</u>
DEFERRED INFLOWS OF RESOURCES			
Prepaid taxes	8,170	-	8,170
Deferred tax revenue	370,311	-	370,311
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>378,481</u>	<u>-</u>	<u>378,481</u>
FUND BALANCES			
Nonspendable	-	7,050	7,050
Restricted	-	13,374	13,374
Committed	80,801	465,400	546,201
Assigned	-	-	-
Unassigned (deficit)	2,907,953	(330,822)	2,577,131
TOTAL FUND BALANCES	<u>2,988,754</u>	<u>155,002</u>	<u>3,143,756</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 3,727,383</u>	<u>\$ 848,076</u>	<u>\$ 4,575,459</u>

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

TOWN OF ANSON, MAINE

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2024

	Total Governmental Funds
Total Fund Balances	\$ 3,143,756
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	6,190,393
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	370,311
Deferred outflows of resources related to OPEB are not financial resources and therefore are not reported in the funds	16,933
Long-term obligations are not due and payable in the current period and therefore are not reported in the funds:	
Bonds payable	(849,153)
Notes from direct borrowings payable	(350,517)
Lease liability	(317,875)
Accrued compensated absences	(8,310)
Net OPEB liability	(44,472)
Deferred inflows of resources related to OPEB are not financial resources and therefore are not reported in the funds	<u>(31,325)</u>
Net position of governmental activities	<u><u>\$ 8,119,741</u></u>

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

TOWN OF ANSON, MAINE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024

	General Fund	Other Governmental Funds	Total Governmental Funds
REVENUES			
Taxes:			
Property taxes	\$ 3,456,631	\$ -	\$ 3,456,631
Excise taxes	582,558	-	582,558
Intergovernmental revenues	919,257	1,552,380	2,471,637
Sale of asset	-	59,981	59,981
Charges for services	85,346	-	85,346
Investment income	844	109	953
Miscellaneous revenues	68,941	29,380	98,321
TOTAL REVENUES	<u>5,113,577</u>	<u>1,641,850</u>	<u>6,755,427</u>
EXPENDITURES			
Current:			
General government	417,383	-	417,383
Public safety	657,379	-	657,379
Public works	603,456	-	603,456
Recreation and culture	45,147	-	45,147
Health and welfare	284,091	-	284,091
Education	2,369,120	-	2,369,120
County tax	445,182	-	445,182
Unclassified	202,683	-	202,683
Debt service:			
Principal	130,228	-	130,228
Interest	8,598	-	8,598
Capital outlay	-	2,088,713	2,088,713
TOTAL EXPENDITURES	<u>5,163,267</u>	<u>2,088,713</u>	<u>7,251,980</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(49,690)</u>	<u>(446,863)</u>	<u>(496,553)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	11,600	11,600
Transfers (out)	(11,600)	-	(11,600)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(11,600)</u>	<u>11,600</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>(61,290)</u>	<u>(435,263)</u>	<u>(496,553)</u>
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	3,206,920	206,692	3,413,612
FUND BALANCE CORRECTION	<u>(156,876)</u>	<u>383,573</u>	<u>226,697</u>
FUND BALANCES - JANUARY 1, AS RESTATED	<u>3,050,044</u>	<u>590,265</u>	<u>3,640,309</u>
FUND BALANCES - DECEMBER 31	<u>\$ 2,988,754</u>	<u>\$ 155,002</u>	<u>\$ 3,143,756</u>

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

TOWN OF ANSON, MAINE

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

Net change in fund balances - total governmental funds (Statement E)	<u>\$ (496,553)</u>
Amounts reported for governmental activities in the Statement of Activities (Statement B) are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense allocated to those expenditures over the life of the assets:	
Capital asset acquisitions	2,860,285
Capital assets disposed	(121,142)
Depreciation expense	<u>(280,634)</u>
	<u>2,458,509</u>
Deferred outflows of resources are a consumption of net position by the government that are applicable to a future reporting period and therefore are not reported in the funds:	
OPEB	<u>8,218</u>
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:	
Taxes and liens receivable	<u>98,311</u>
Debt proceeds provide current financial resources to governmental funds, but long-term obligations in the Statement of Net Position	
	<u>(668,392)</u>
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term obligations in the Statement of Net Position.	
	<u>260,349</u>
Deferred inflows of resources are an acquisition of net position by the government that are applicable to a future reporting period and therefore are not reported in the funds:	
OPEB	<u>(1,137)</u>
Some expenses reported in the Statement of Activities do not require the use of current resources and therefore are not reported as expenditures in governmental funds:	
Accrued compensated absences	9,283
Net OPEB liability	<u>(10,895)</u>
	<u>(1,612)</u>
Change in net position of governmental activities (Statement B)	<u><u>\$ 1,657,693</u></u>

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

TOWN OF ANSON, MAINE

STATEMENT OF NET POSITION - PROPRIETARY FUND
DECEMBER 31, 2024

	<u>Enterprise Fund</u> <u>Sewer</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 87,008
Accounts receivable (net of allowance for uncollectibles)	51,173
Total current assets	<u>138,181</u>
Noncurrent assets:	
Capital assets:	
Land and construction in progress	84,080
Vehicles and equipment	3,710,324
Infrastructure	306,596
Total capital assets	<u>4,101,000</u>
Less: accumulated depreciation	<u>(3,957,578)</u>
Net capital assets	<u>143,422</u>
Total noncurrent assets	<u>143,422</u>
TOTAL ASSETS	<u>\$ 281,603</u>
LIABILITIES	
Current liabilities:	
Accounts payable	\$ 1,417
Due to other funds	10,355
Total current liabilities	<u>11,772</u>
TOTAL LIABILITIES	<u>11,772</u>
NET POSITION	
Net investment in capital assets	143,422
Restricted	20,003
Unrestricted	106,406
TOTAL NET POSITION	<u>269,831</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 281,603</u>

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

TOWN OF ANSON, MAINE

STATEMENT OF CHANGES IN NET POSITION - PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>Enterprise Fund</u> <u>Sewer</u>
OPERATING REVENUES	
Charges for services	\$ 150,196
Other	31,225
TOTAL OPERATING REVENUES	<u>181,421</u>
OPERATING EXPENSES	
Payroll, taxes and benefits	18,514
Supplies	266
Utilities	24,362
Contracted services	86,531
Maintenance	7,194
Insurance	1,400
Other	2,277
Depreciation	10,807
TOTAL OPERATING EXPENSES	<u>151,351</u>
OPERATING INCOME (LOSS)	<u>30,070</u>
NONOPERATING REVENUES (EXPENSES)	
Interest income	259
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>259</u>
CHANGE IN NET POSITION	30,329
NET POSITION - JANUARY 1	<u>239,502</u>
NET POSITION - DECEMBER 31	<u><u>\$ 269,831</u></u>

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

TOWN OF ANSON, MAINE

STATEMENT OF CASH FLOWS - PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>Enterprise Fund</u> <u>Sewer</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from customers	\$ 169,730
Internal activity - receipts (payments) from/to other funds	15,651
Payments to employees	(18,514)
Payments to suppliers	(135,448)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>31,419</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest income	259
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>259</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	31,678
CASH AND CASH EQUIVALENTS - JULY 1	<u>55,330</u>
CASH AND CASH EQUIVALENTS - JUNE 30	<u><u>\$ 87,008</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating income	\$ 30,070
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation expense	10,807
Changes in operating assets and liabilities:	
(Increase) decrease in accounts receivable	(11,691)
(Increase) decrease in due from other funds	5,296
Increase (decrease) in accounts payable	(13,418)
Increase (decrease) in due to other funds	10,355
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u><u>\$ 31,419</u></u>

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

TOWN OF ANSON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Town of Anson, Maine was incorporated under the laws of the State of Maine. The Town operates under the selectboard-manager form of government and provides the following services: general government, public safety, public works, health and welfare, recreation and culture, 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 December 31, 2024, the following statements of financial accounting standards issued by the Governmental Accounting Standards Board became effective:

Statement No. 100 "Accounting Changes and Error Corrections - an Amendment of GASB Statement No. 62". The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent and comparable information for making decisions or assessing accountability. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 101 "Compensated Absences". The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Management has determined the impact of this Statement is not material to the financial statements.

TOWN OF ANSON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 sewer fund is categorized as business-type activities. 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) reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Town's net position is reported in three parts - net investment in capital assets, restricted net position and unrestricted net position. The Town first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Town's functions and business-type activities (general government, public safety, etc.) excluding fiduciary activities. The functions are also supported by general government revenues (property taxes, certain intergovernmental revenues, miscellaneous revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function 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.

TOWN OF ANSON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus - Basic Financial Statements and Fund Financial Statements

The financial transactions of the Town are reported in the individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements. The following fund types are used by the Town:

1. Governmental Funds:

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

Major Funds:

- a. The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

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.

TOWN OF ANSON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

TOWN OF ANSON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Modified Accrual

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

Budget

The Town's policy is to adopt an annual budget for operations. The budget is presented on the modified accrual basis of accounting which is consistent with generally accepted accounting principles.

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

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

Deposits and Investments

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. The Town's investment policy requires collateralization of accounts and deposits exceeding an amount equal to 25% of capital, surplus and undivided profits as defined by the laws of the State of Maine.

It is the Town's policy to value investments at fair value. None of the Town's investments are reported at amortized cost. 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. The Town Treasurer is authorized by State Statutes to invest all excess funds in the following:

TOWN OF ANSON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Receivables

Receivables include amounts due from governmental agencies. All receivables are current and therefore due within one year. Receivables are reported net of an allowance for uncollectible accounts and revenues net of uncollectibles. Allowances are reported when accounts are proven to be uncollectible. The allowance for uncollectible accounts is estimated to be \$0 as of December 31, 2024. Accounts receivable netted with allowances for uncollectible accounts were \$370,956 for the year ended December 31, 2024.

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. 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.

TOWN OF ANSON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

A right of use lease asset is required to be reported at the present value of payments expected to be made during the lease term including and any/all other required financial lease obligations in accordance with the terms of the lease and excluding interest. A lease asset will be amortized on a straight-line basis over the lease term or the useful life of the underlying asset (whichever is shorter).

The Town has art and historical items that are capitalized. These items, a buffalo and antique hand tub, are categorized as non-depreciable assets as they are considered inexhaustible.

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

Estimated useful lives are as follows:

Buildings and improvements	10 - 70 years
Infrastructure	20 - 50 years
Machinery and equipment	5 - 30 years
Vehicles	5 - 30 years

Long-term Obligations

The accounting treatment of long-term obligations depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in government-wide statements. The long-term obligations consist of bonds payable, notes from direct borrowings payable, a lease liability, accrued compensated absences and net OPEB liability.

TOWN OF ANSON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 funds is the same in the fund statements as it is in the government-wide statements.

OPEB

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, management received and relied on an actuarial report provided to them by the Maine Municipal Employees Health Trust (MMEHT), which determined the Town's fiduciary net position as a single employer defined benefit plan based on information provided solely by MMEHT to complete the actuarial report. Additions to/deductions from the MMEHT OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by MMEHT. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

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 Balances

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components - nonspendable, restricted, committed, assigned and unassigned.

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

TOWN OF ANSON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet will at times report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town has one type of this item, deferred outflows related to related to OPEB. This item is reported in the statement of net position.

TOWN OF ANSON, MAINE

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

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

Revenue Recognition - Property Taxes - Modified Accrual Basis

The Town's property tax for the current year was levied August 1, 2024 on the assessed value listed as of April 1, 2024 for all real and personal property located in the Town. Taxes were due on October 1, 2024. Interest on unpaid taxes commenced on October 2, 2024 at 8.5% 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 \$14,848 for the year ended December 31, 2024.

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).

TOWN OF ANSON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

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.

TOWN OF ANSON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

At December 31, 2024, the Town's cash balances amounting to \$2,515,448 were comprised of deposits of \$2,713,107. Bank deposits and cash equivalents are adjusted primarily by outstanding checks and deposits in transit to reconcile to the Town's cash and cash equivalents balance. Of these bank deposits, \$500,000 was fully insured by federal depository insurance and consequently was not exposed to custodial credit risk. The remaining deposits of \$2,213,107 were collateralized by a letter of credit.

<u>Account Type</u>	<u>Bank Balance</u>
Checking accounts	\$ 2,203,598
Money market accounts	509,509
	<u>\$ 2,713,107</u>

Investments:

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

Interest rate risk - is the risk that changes in interest rates will adversely affect the fair value of an investment. The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from fluctuations in interest rates. Certificates of deposit held with local financial institutions for \$21,719 are excluded from interest rate risk as these investments are considered held to maturity and are therefore not measured at fair value.

At December 31, 2024, the Town's investments of \$21,719 are comprised of certificates of deposit which are collateralized by federal depository insurance.

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

TOWN OF ANSON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

Interfund balances as of December 31, 2024 consisted of the following individual fund receivables and payables:

	Receivables (Due from)	Payables (Due to)
General fund	\$ 703,429	\$ 280,311
Water fund	-	10,355
Nonmajor special revenue funds	224,496	658,894
Nonmajor capital projects funds	55,815	34,180
Totals	<u>\$ 983,740</u>	<u>\$ 983,740</u>

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

NOTE 4 - INTERFUND TRANSFERS

Interfund transfers at December 31, 2024 consisted of the following:

	Transfers In	Transfers Out
General fund	\$ -	\$ 11,600
Nonmajor capital projects funds	11,600	-
Totals	<u>\$ 11,600</u>	<u>\$ 11,600</u>

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

TOWN OF ANSON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 5 - CAPITAL ASSETS

A summary of capital assets for the year ended December 31, 2024 is as follows:

	Balance, 1/1/24 (Restated)	Additions	Disposals	Balance, 12/31/24
<u>Governmental activities:</u>				
Non-depreciated assets:				
Land	\$ 83,027	\$ -	\$ -	\$ 83,027
Construction in progress	282,493	37,000	(282,493)	37,000
	<u>365,520</u>	<u>37,000</u>	<u>(282,493)</u>	<u>120,027</u>
Depreciated assets:				
Land, buildings and improvements	772,953	1,513,875	(25,657)	2,261,171
Machinery and equipment	2,136,267	429,754	(208,500)	2,357,521
Vehicles	322,873	1,022,589	(265,353)	1,080,109
Infrastructure	4,691,778	139,560	-	4,831,338
Right of use lease asset	39,823	-	-	39,823
	<u>7,963,694</u>	<u>3,105,778</u>	<u>(499,510)</u>	<u>10,569,962</u>
Less: accumulated depreciation	<u>(4,597,330)</u>	<u>(280,634)</u>	<u>378,368</u>	<u>(4,499,596)</u>
	<u>3,366,364</u>	<u>2,825,144</u>	<u>(121,142)</u>	<u>6,070,366</u>
Net capital assets	<u>3,731,884</u>	<u>2,862,144</u>	<u>(403,635)</u>	<u>6,190,393</u>
<u>Business-type activities:</u>				
Non-depreciated assets:				
Land	84,080	-	-	84,080
	<u>84,080</u>	<u>-</u>	<u>-</u>	<u>84,080</u>
Depreciated assets:				
Machinery and equipment	3,710,324	-	-	3,710,324
Infrastructure	306,596	-	-	306,596
	<u>4,016,920</u>	<u>-</u>	<u>-</u>	<u>4,016,920</u>
Less: accumulated depreciation	<u>(3,946,771)</u>	<u>(10,807)</u>	<u>-</u>	<u>(3,957,578)</u>
	<u>70,149</u>	<u>(10,807)</u>	<u>-</u>	<u>59,342</u>
Net capital assets	<u>154,229</u>	<u>(10,807)</u>	<u>-</u>	<u>143,422</u>
Total government	<u>\$ 3,886,113</u>	<u>\$ 2,851,337</u>	<u>\$ (403,635)</u>	<u>\$ 6,333,815</u>
<u>Current year depreciation:</u>				
General government				\$ 33,143
Public safety				99,213
Public works				148,278
Subtotal governmental				<u>280,634</u>
Sewer				10,807
Subtotal business-type				<u>10,807</u>
Total depreciation expense				<u>\$ 291,441</u>

TOWN OF ANSON, MAINE

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

NOTE 6 - LONG-TERM DEBT

The following is a summary of changes in the long-term debt for the year ended December 31, 2024:

	Balance, 1/1/24	Additions	Deletions	Balance, 12/31/24	Current Portion
<i>Governmental Activities:</i>					
Bonds payable	\$ 1,077,571	\$ -	\$ (228,418)	\$ 849,153	\$ 232,752
Notes from direct borrowings payable	21,703	350,517	(21,703)	350,517	70,552
Lease liability	10,228	317,875	(10,228)	317,875	49,004
	<u>\$ 1,109,502</u>	<u>\$ 668,392</u>	<u>\$ (260,349)</u>	<u>\$ 1,517,545</u>	<u>\$ 352,308</u>

The following is a summary of the outstanding bonds, notes from direct borrowings payable and lease liability:

Governmental activities:

Bonds payable:

General Obligation Bond due in annual principal payments in the amount of \$120,000 with a fixed interest rate of 1.74% per annum. The bond matures in January 2026. \$ 240,000

General Obligation Bond due in annual principal installments of \$108,418 to \$131,197. Semi-annual fixed interest at a rate of 3.740% to 3.930%. Maturity in November of 2029. 609,153

Total bonds payable: 849,153

Notes from direct borrowings payable:

Note payable to Daimler Truck Financial Services USA LLC due in annual principal and interest payments of \$59,083.67. Interest is charged at a fixed rate of 5.935% per annum. Maturity in August 2029. 249,322

Note payable to Katahdin Trust Company due in annual principal and interest payments of \$23,426.73. Interest is charged at a fixed rate of 6.45% per annum. Maturity in April 2027. 62,000

Note payable to KS State Bank due in annual principal and interest payments of \$9,413.86. Interest is charged at a fixed rate of 6.43% per annum. Maturity in July 2030. 39,195

Total notes from direct borrowings payable 350,517

TOWN OF ANSON, MAINE

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

NOTE 6 - LONG-TERM DEBT (CONTINUED)

Lease liability:

The Town has a lease for a 2023 John Deere Grader. Annual principal and interest payments of \$72,302. Interest is charged at a fixed rate of 6.5% per annum. Maturity in July 2030.

317,875

Total lease liability

317,875

Total governmental activities bonds, notes from direct borrowings payable and lease liability

\$ 1,517,545

The following is a summary of the outstanding bonds payable, notes from direct borrowings payable and lease liability principal and interest requirements for the following fiscal years ending December 31:

	Governmental Activities						
	Bonds Payable		Notes from Direct Borrowings Payable		Lease Liability		Total Debt Service
	Principal	Interest	Principal	Interest	Principal	Interest	
2025	\$ 232,752	\$ 27,311	\$ 70,552	\$ 21,372	\$ 49,004	\$ 613	\$ 401,604
2026	237,183	20,815	74,890	17,034	52,286	-	402,208
2027	121,685	14,274	79,496	12,428	55,788	-	283,671
2028	126,336	9,723	60,959	7,538	29,524	-	234,080
2029	131,197	4,972	64,620	3,879	63,510	-	268,178
2030-2034	-	-	-	-	67,763	-	67,763
	\$ 849,153	\$ 77,095	\$ 350,517	\$ 62,251	\$ 317,875	\$ 613	\$ 1,657,504

The bonds payable, notes from direct borrowings payable and lease liability are direct obligations of the Town, for which its full faith and credit are pledged. The Town is not obligated for any special assessment debt. All debt is payable from taxes or sewer user fees levied on all taxable property within the Town.

The right of use lease asset associated with this lease liability (including amortization/depreciation applicable to the same) is presented as a separate category of Capital Assets and is grouped accordingly on the Statement of Net Position.

TOWN OF ANSON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 7 - OTHER LONG-TERM OBLIGATIONS

A summary of other long-term obligations for the year ended December 31, 2024 is as follows:

	Balance, 1/1/24	Additions	Deletions	Balance, 12/31/24	Current Portion
<i>Governmental Activities:</i>					
Accrued compensated absences	\$ 17,593	\$ -	\$ (9,283)	\$ 8,310	\$ 1,247
Net OPEB liability	33,577	12,609	(1,714)	44,472	-
	<u>\$ 51,170</u>	<u>\$ 12,609</u>	<u>\$ (10,997)</u>	<u>\$ 52,782</u>	<u>\$ 1,247</u>

Please see Notes 8 and 19 for detailed information on each of the other long-term obligations.

NOTE 8 - ACCRUED COMPENSATED ABSENCES

The Town's policies regarding vacation and sick time do permit employees to accumulate earned but unused vacation leave. Generally, the liability for compensated absences are recorded as a long-term obligation 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 December 31, 2024, the Town's liability for compensated absences is \$8,310, which represents a net decrease of \$9,283 from the prior year.

NOTE 9 - OVERSPENT APPROPRIATIONS

The following appropriations were exceeded by actual expenditures:

Public safety	\$ 100,574
Health and welfare	38,646
	<u>\$ 139,220</u>

TOWN OF ANSON, MAINE

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

NOTE 10 - NET INVESTMENT IN CAPITAL ASSETS

The following is the calculation of the net investment in capital assets for the Town at December 31, 2024.

<u>Governmental Activities</u>	
Invested in capital assets	\$ 10,689,989
Accumulated depreciation	(4,499,596)
Outstanding capital related debt	(1,517,545)
	<u>\$ 4,672,848</u>

<u>Business Type Activities</u>	
Invested in capital assets	\$ 4,101,000
Accumulated depreciation	(3,957,578)
	<u>\$ 143,422</u>

NOTE 11 - RESTRICTED NET POSITION

At December 31, 2024, the Town had the following restricted net position:

Nonmajor permanent funds (Schedule H)	\$ 20,424
Sewer fund - capital	20,003
	<u>\$ 40,427</u>

NOTE 12 - NONSPENDABLE FUND BALANCES

At December 31, 2024, the Town had the following nonspendable fund balances:

Nonmajor permanent funds (Schedule H)	<u>\$ 7,050</u>
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NOTE 13 - RESTRICTED FUND BALANCES

At December 31, 2024, the Town had the following restricted fund balances:

Nonmajor permanent funds (Schedule H)	<u>\$ 13,374</u>
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TOWN OF ANSON, MAINE

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

NOTE 14 - COMMITTED FUND BALANCES

At December 31, 2024, the Town had the following committed fund balances:

General fund:	
Comprehensive plan	\$ 1,291
Foreclosed property sales	79,510
Nonmajor special revenue funds (Schedule D)	224,496
Nonmajor capital projects funds (Schedule F)	240,904
	<u>\$ 546,201</u>

NOTE 15 - DEFICIT FUND BALANCES

At December 31, 2024, the Town had the following deficit fund balances:

Nonmajor special revenue funds (Schedule D)	
North Anson Fire Station HUD	\$ 39,235
ATV grant	4,920
Grinch storm	103,237
FEMA May 2023	183,430
	<u>\$ 330,822</u>

NOTE 16 - OVERLAPPING DEBT

The Town is responsible for its proportionate share of the County of Somerset and Regional School Unit No. 74's debt. As of December 31, 2024, the Town's share of the County and School Unit's debt was as follows:

	Outstanding Debt	Town's Percentage	Total Share
Regional School Unit No. 74	\$ 2,712,921	35.33%	\$ 958,458
County of Somerset	7,160,000	2.89%	206,674
			<u>\$ 1,165,132</u>

NOTE 17 - 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 carries commercial insurance, or is effectively self-insured. There have been no deficiencies during the past three years and management believes that no deficiency exists at December 31, 2024.

TOWN OF ANSON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 17 - RISK MANAGEMENT (CONTINUED)

Based on the coverage provided by the insurance purchased, the Town is not aware of any material actual or potential claim liabilities which should be recorded as of December 31, 2024. 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 18 - DEFERRED COMPENSATION PLAN

Mission Square Retirement

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457 and maintained by Mission Square Retirement (MSR). The plan permits employees to defer a portion of their salary, in addition to Town contributions, until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts and all income attributable to those amounts, property or rights are solely the property and rights of the participants. All assets are protected by a trust arrangement from any claims on the Town and from any use by the Town other than paying benefits to employees and their beneficiaries in accordance with the plan.

The Town's contributions to the plan for 2024 and 2023 were \$12,169 and \$10,990, respectively.

NOTE 19 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN

MAINE MUNICIPAL EMPLOYEES' HEALTH TRUST

Plan Description

The Town and Town retirees contribute to the Town's OPEB Plan with the Maine Municipal Employees Health Trust (MMEHT), a single employer defined benefit plan. Contributions and membership in this Plan are voluntary and may be terminated at any time by the Town and/or the Town retirees. MMEHT is a fully funded, self-insured trust which provides benefits to municipal and quasi-municipal organizations and county governments and acts as the agent to the Town concerning administration of this Plan. Title 24-A Chapter 81 of the Maine Revised Statutes Annotated authorizes the regulation of MMEHT as a Multiple Employer Welfare Arrangement by the State of Maine Bureau of Insurance. Benefits and plans are designed and governed by MMEHT participants and are administered by a number of third-party administrators contracted by MMEHT. No assets are accumulated in a trust that meets the criteria of paragraph 4

TOWN OF ANSON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 19 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. MMEHT issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by MMEHT at (800) 852-8300.

Benefits Provided

This Plan provides medical/prescription drug benefits during retirement to Medicare and non-Medicare retirees and their surviving spouses with varying levels of benefits determined by voluntary plan selection by the retiree as well as applicable Medicare statutes and regulations. The Plan also provides an automatic life insurance benefit of \$2,000 to participants which includes a surviving spouse benefit for the same. The employee must meet the minimum requirement of age 55 with at least 5 years of service at retirement to be eligible for the Plan. The retiree must enroll when first eligible and continue coverage without interruption.

Employees Covered by Benefit Terms

At January 1, 2024, the following employees were covered by the benefit terms:

Active members	9
Retirees and spouses	-
Total	<u>9</u>

Contributions

Retiree and spouse premium amounts are funded by the retiree at the rate for the coverage elected by the retiree. Premium rates are those determined by the MMEHT's Board of Trustees to be actuarially sufficient to pay anticipated claims. Premiums for retiree life insurance coverage are factored into the premiums paid for basic coverage. Retirees and spouses must contribute 100% of the premium amounts. The sponsoring employer pays the remainder of the premium. Medical benefits are provided for the life of the retiree and surviving spouses.

Retiree Premium Amounts:

The following monthly premium amounts were reported on the individual data file. Actual plan election was reflected in expected retiree premium amounts.

<u>Pre-Medicare</u>	<u>Single Coverage</u>	<u>Family Coverage</u>
POS C	\$1,243	\$2,788
<u>Medicare</u>		
Medicare-eligible Retirees	\$659	\$1,319

TOWN OF ANSON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 19 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Total OPEB Liability, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2024, the Town reported a liability of \$44,472 for its total OPEB liability for this Plan. The total OPEB liability was measured as of January 1, 2024 and was determined by an actuarial valuation as of that date. The Town's total OPEB liability was based on the Entry Age Normal Actuarial Cost Method which does not reflect future changes in benefits, subsidies, penalties, taxes or administrative costs that may be required as a result of the Patient Protection and Affordable Care Act of 2010 (ACA) related legislation and regulations.

For the year ended December 31, 2024, the Town recognized OPEB expense of \$3,814. At December 31, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	MMEHT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 26,524
Changes of assumptions	16,356	4,801
Net difference between projected and actual earnings on OPEB plan investments	-	-
Contributions subsequent to the measurement date	577	-
Total	<u>\$ 16,933</u>	<u>\$ 31,325</u>

\$577 were reported as deferred outflows of resources related to OPEB resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	MMEHT
Plan year ended December 31:	
2025	\$ (2,079)
2026	(1,593)
2027	(1,592)
2028	(2,019)
2029	(2,422)
Thereafter	(5,264)

TOWN OF ANSON, MAINE

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

NOTE 19 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Discount Rate

The discount rate is the assumed interest rate used for converting projected dollar related values to a present value as of the valuation date of January 1, 2024. The discount rate determination is based on the high-quality AA/Aa or higher bond yields in effect for 20-year, tax-exempt general obligation municipal bonds using the Bond Buyer 20-Bond GO Index. The rate of 3.26% per annum for December 31, 2024 was based upon a measurement date of December 28, 2023. The sensitivity of net OPEB liability to changes in discount rate are as follows:

	1% Decrease	Discount Rate	1% Increase
	2.26%	3.26%	4.26%
Total OPEB liability	\$ 51,549	\$ 44,472	\$ 38,669
Plan fiduciary net position	-	-	-
Net OPEB liability	<u>\$ 51,549</u>	<u>\$ 44,472</u>	<u>\$ 38,669</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%

Healthcare Trend

The healthcare trend is the assumed dollar increase in dollar-related values in the future due to the increase in the cost of health care. The healthcare cost trend rate is the rate of change in per capita health claim costs over time as a result of factors such as medical inflation, utilization of healthcare services, plan design and technological developments. The sensitivity of net OPEB liability to changes in healthcare cost trend rates are as follows:

	1% Decrease	Healthcare Trend Rates	1% Increase
Total OPEB liability	\$ 37,550	\$ 44,472	\$ 53,200
Plan fiduciary net position	-	-	-
Net OPEB liability	<u>\$ 37,550</u>	<u>\$ 44,472</u>	<u>\$ 53,200</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%

Actuarial Methods and Assumptions

The total OPEB liability for the Plan was determined by an actuarial valuation as of January 1, 2024, using the following methods and assumptions applied to all periods included in the measurement:

TOWN OF ANSON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 19 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Actuarial Cost Method

The Entry Age Normal Actuarial Cost Method is used to determine costs. Under this funding method, a normal cost rate is determined as a level percent of pay for each active Plan member and then summed to produce the total normal cost for this Plan. The unfunded actuarial liability is the difference between the actuarial liability and the actuarial value of assets.

For medical and pharmacy, historical claims and census records were assembled and provided through June 30, 2021. Medicare and non-Medicare eligible medical and prescription experience were analyzed. It was assumed that current enrollment distribution of benefit options would remain constant in the future for retirees. The cost was distributed based on the current covered population and the actuary's standard age curves which vary by age, gender and Medicare status. Children costs are converted to a load on the non-Medicare retirees which implicitly assumes that future retirees will have the same child distribution as current retirees.

Assumptions

The actuarial assumptions used in the January 1, 2024 actuarial valuation were adopted by the Maine State Retirement Consolidated Plan for Participating Local Districts as of June 30, 2022 and based on the experience study covering the period from June 30, 2016 through June 30, 2021. As of January 1, 2024, they are as follows:

Discount Rate - 3.26% per annum for year end 2024 reporting. 3.72% per annum for year end 2023 reporting.

Trend Assumptions:

Medical Trend assumptions were developed using the Society of Actuaries (SOA) Long-Run Medical Cost Trend Model. The SOA model was released in December 2007 and version 2024_1b was used for this valuation. The following assumptions were input into this model:

<u>Variable</u>	<u>Rate</u>
Rate of Inflation	2.38%
Rate of Growth in Real Income/GDP per capital 2031+	1.40%
Extra Trend due to Taste/Technology 2031+	1.10%
Expected Health Share of GDP 2031	19.80%
Health Share of GDP Resistance Point	18.00%
Year for Limiting Cost Growth to GDP Growth	2044

TOWN OF ANSON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 19 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

The SOA Long-Run Medical Cost Trend Model and its baseline projection are based on an econometric analysis of historical U.S. medical expenditures and the judgements of experts in the field. The long-run baseline projection and input variables have been developed under the guidance of the SOA Project Oversight Group.

The trends selected from 2024 to 2027 were based on plan design, population weighting, renewal projections and market analysis. For years 2028 to 2032, these are interpolated from 2027 to 2033 (which is the product of the inflation, GDP and extra trend rate assumptions).

Deductibles, Co-payments and Out of Pocket Maximums are assumed to increase at the above trend rates. The ultimate trend rate reflects an assumed nominal per capital GDP growth.

Administrative and claims expense - 3% per annum.

Future plan changes - Assumes that the current Plan and cost-sharing structure remain in place for all future years.

Retirement Rates - Rates vary for plans with no explicit employer subsidy (or payment) versus those plans defining an explicit employer subsidy (or payment). The rates are based on assumptions from the Maine State Retirement Consolidated Plan for Participating Local District at June 30, 2021.

Retirement Contribution Increases - Assumed to increase at the same rate as incurred claims. A constant cost sharing in plan design between employer and employees is assumed.

Family Enrollment Composition - For males, 50% of future retirees under the age of 65 and 50% of current retirees are married and elect spousal coverage while females are at 30% for both. 25% of male and female future retirees over the age of 65 are married and elect spousal coverage.

Age Difference of Spouses - Husbands are assumed to be 3 years older than wives.

Administrative expenses - Included in the per capita claims cost.

Disability Incidence - Disabled lives will be considered active employees and will not be valued separately.

TOWN OF ANSON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 19 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Salary Increase Rate - 2.75% per year assumed using the level percentage of pay entry age method.

Dates of Hire - Needed to be assumed for some employees and will be based on the average age at hire for similar employees.

Rate of Mortality:

Healthy Annuitant- Based on 112.1% and 118.5% of the 2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table, respectively, for males and females. The proposed rates are projected generationally using the RPEC_2020 model, with an ultimate rate of 1.00% for ages 80 and under, grading down to 0.05% at age 95 and further grading down to 0.00% at age 115, along with convergence to the ultimate rates in the year 2027. All other parameters used in the RPEC_2021 model are those included in the published MP-2021 scale. As prescribed by the Trust, mortality rates were taken from the assumptions for the Maine State Retirement Consolidated Plan for Participating Local Districts at June 30, 2021.

Active Employees - Rates of mortality are based on 83.5% and 88.6% of the 2010 Public Plan General Benefits- Weighted Employee Mortality Table, respectively, for males and females. These rates are generationally projected using the same version of the RPEC_2020 model as described in the healthy annuitant mortality. As prescribed by the Trust, mortality rates were taken from the assumptions for the Maine State Retirement Consolidated Plan for Participating Local Districts at June 30, 2021.

Retiree Continuation Percentage:

Medicare participant retirees - 100% assumed to continue in the plan elected

Pre-Medicare plan retirees and active participants - 75% assumed to continue coverage once Medicare-eligible

Pre-Medicare plan spouses and spouses of active participants - 50% assumed to continue coverage once Medicare-eligible

TOWN OF ANSON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 19 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Changes in Net OPEB Liability

Changes in net OPEB liability are recognized in OPEB expense for the year ended December 31, 2024 with the following exceptions:

Differences between Expected and Actual Experience

The difference between expected and actual experience are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. The difference between expected and actual experience as of January 1, 2024 was (\$26,524).

Changes in Assumptions

Differences due to changes in assumptions about future economic, demographic or claim and expense factors or other inputs are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The actuarial assumptions used in the January 1, 2024 actuarial valuation were adopted by the Maine State Retirement Consolidated Plan for Participating Local Districts as of June 30, 2022 and based on the experience study covering the period from June 30, 2016 through June 30, 2021. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources.

Differences between Projected and Actual Earnings on OPEB Plan Investments

Differences between projected and actual investment earnings are recognized in OPEB expense using a straight-line amortization method over a closed five-year period. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources.

OPEB Plan Fiduciary Net Position

Additional financial and actuarial information with respect to this Plan can be found at the Town office at 5 Kennebec Street, Anson, Maine 04911.

TOWN OF ANSON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 20 - CONTINGENCIES

The Town participates in numerous State and Federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Town has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at December 31, 2024 may be impaired. In the opinion of the Town, there are no significant contingent liabilities relating to compliance with the rules and regulations; therefore, no provision has been recorded in the accompanying combined financial statements for such contingencies.

NOTE 21 - STANDBY LETTER OF CREDIT

At December 31, 2024, the Town has an outstanding irrevocable standby letter of credit issued by the Federal Reserve Bank serving as collateral for its deposits held at The Camden National Bank. This letter of credit, which expires at the close of business on March 31, 2025, authorizes multiple draws up to the amount of \$2,800,000. There were no draws for the year ended December 31, 2024.

NOTE 22 - RESTATEMENT

During the fiscal year 2024, the Town determined that restatements to the general fund, nonmajor special revenue funds and nonmajor capital projects funds beginning fund balances were required. Additionally, certain corrections related to capital assets were required and these also impacted governmental activities. These corrections resulted in restatements of fund balance net position as follows:

	12/31/23 As Previously Reported	Fund Balance Correction	Net Position Correction	12/31/23 As Restated
Government-Wide				
Governmental Activities	\$ 5,947,816	\$ -	\$ 514,232	\$ 6,462,048
Business-type Activities	\$ 239,502	\$ -	\$ -	\$ 239,502
Governmental Funds				
Major Funds:				
General Fund	\$ 3,206,920	\$ (156,876)	\$ -	\$ 3,050,044
Other Governmental Funds	206,692	383,573	-	590,265
Total Governmental Funds	\$ 3,413,612	\$ 226,697	\$ -	\$ 3,640,309

Required Supplementary Information

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

- Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund
- Schedule of Changes in Net OPEB Liability
- Schedule of Changes in Net OPEB Liability and Related Ratios
- Schedule of Contributions - OPEB
- Notes to Required Supplementary Information

TOWN OF ANSON, MAINE

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Positive (Negative)
Budgetary Fund Balance, January 1, Restated	\$ 3,050,044	\$ 3,050,044	\$ 3,050,044	\$ -
Resources (Inflows):				
Taxes:				
Property Taxes	3,548,821	3,548,821	3,456,631	(92,190)
Excise Taxes	525,296	525,296	582,558	57,262
Intergovernmental Revenues:				
State Revenue Sharing	564,668	564,668	480,236	(84,432)
Local Road Assistance	59,980	59,980	60,748	768
Homestead Reimbursement	209,292	209,292	195,292	(14,000)
BETE Reimbursement	59,925	59,925	58,522	(1,403)
Tree Growth	42,391	42,391	46,016	3,625
Veterans' Reimbursement	1,513	1,513	1,690	177
Other	-	-	76,753	76,753
Interest Income	-	-	844	844
Interest on Taxes/Lien Costs	16,552	16,552	21,809	5,257
Charges for Services	50,709	50,709	85,346	34,637
Miscellaneous Revenues	9,572	9,572	22,132	12,560
Sale of Property	-	-	25,000	25,000
Amounts Available for Appropriation	<u>8,138,763</u>	<u>8,138,763</u>	<u>8,163,621</u>	<u>24,858</u>
Charges to Appropriations (Outflows):				
General Government	430,995	430,995	417,383	13,612
Public Safety	556,805	556,805	657,379	(100,574)
Public Works	618,360	618,360	603,456	14,904
Recreation and Culture	46,520	46,520	45,147	1,373
Health and Welfare	245,445	245,445	284,091	(38,646)
Education	2,369,346	2,369,346	2,369,120	226
County Tax	445,182	445,182	445,182	-
Unclassified	413,587	413,587	202,683	210,904
Debt service:				
Principal	142,281	142,281	130,228	12,053
Interest	8,598	8,598	8,598	-
Transfers to Other Funds	11,600	11,600	11,600	-
Total Charges to Appropriations	<u>5,288,719</u>	<u>5,288,719</u>	<u>5,174,867</u>	<u>113,852</u>
Budgetary Fund Balance, December 31	<u>\$ 2,850,044</u>	<u>\$ 2,850,044</u>	<u>\$ 2,988,754</u>	<u>\$ 138,710</u>
Utilization of Unassigned Fund Balance	<u>\$ 200,000</u>	<u>\$ 200,000</u>	<u>\$ -</u>	<u>\$ (200,000)</u>

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

TOWN OF ANSON, MAINE

SCHEDULE OF CHANGES IN NET OPEB LIABILITY
FOR YEAR ENDED DECEMBER 31, 2024

	Increase (Decrease)		
	Net OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at 1/1/23 (Reporting December 31, 2023)	\$ 33,577	\$ -	\$ 33,577
Changes for the year:			
Service cost	4,052	-	4,052
Interest	1,396	-	1,396
Changes of benefits	-	-	-
Differences between expected and actual experience	(6,504)	-	(6,504)
Changes of assumptions	12,184	-	12,184
Contributions - employer	-	233	(233)
Contributions - member	-	-	-
Net investment income	-	-	-
Benefit payments	(233)	(233)	-
Administrative expense	-	-	-
Net changes	10,895	-	10,895
Balances at 1/1/24 (Reporting December 31, 2024)	<u>\$ 44,472</u>	<u>\$ -</u>	<u>\$ 44,472</u>

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

TOWN OF ANSON, MAINE

SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS*

	2024	2023	2022	2021	2020	2019	2018
<u>Total OPEB liability</u>							
Service cost (BOY)	\$ 4,052	\$ 4,678	\$ 7,225	\$ 6,349	\$ 4,158	\$ 4,565	\$ 3,855
Interest (includes interest on service cost)	1,396	762	1,236	1,276	1,480	1,179	823
Changes of benefit terms	-	-	-	(733)	-	-	-
Differences between expected and actual experience	(6,504)	-	(25,754)	-	(7,479)	-	1,444
Changes of assumptions	12,184	(4,140)	(1,432)	3,217	10,896	(3,408)	5,705
Benefit payments, including refunds of member contributions	(233)	(71)	-	-	(84)	(81)	(10)
Net change in total OPEB liability	\$ 10,895	\$ 1,229	\$ (18,725)	\$ 10,109	\$ 8,971	\$ 2,255	\$ 11,817
Total OPEB liability - beginning	\$ 33,577	\$ 32,348	\$ 51,073	\$ 40,964	\$ 31,993	\$ 29,738	\$ 17,921
Total OPEB liability - ending	\$ 44,472	\$ 33,577	\$ 32,348	\$ 51,073	\$ 40,964	\$ 31,993	\$ 29,738
<u>Plan fiduciary net position</u>							
Contributions - employer	\$ 233	\$ 71	\$ -	\$ -	\$ 84	\$ 81	10
Contributions - member	-	-	-	-	-	-	-
Net investment income	-	-	-	-	-	-	-
Benefit payments, including refunds of member contributions	(233)	(71)	-	-	(84)	(81)	(10)
Administrative expense	-	-	-	-	-	-	-
Net change in fiduciary net position	-	-	-	-	-	-	-
Plan fiduciary net position - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Plan fiduciary net position - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net OPEB liability - ending	\$ 44,472	\$ 33,577	\$ 32,348	\$ 51,073	\$ 40,964	\$ 31,993	\$ 29,738
Plan fiduciary net position as a percentage of the total OPEB liability	-	-	-	-	-	-	-
Covered payroll	\$ 454,438	\$ 282,041	\$ 282,041	\$ 309,264	\$ 309,264	\$ 281,751	\$ 281,751
Net OPEB liability as a percentage of covered payroll	9.8%	11.9%	11.5%	16.5%	13.2%	11.4%	10.6%

* The amounts presented for each fiscal year are for those years for which information is available.

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

TOWN OF ANSON, MAINE

SCHEDULE OF CONTRIBUTIONS - OPEB
LAST 10 FISCAL YEARS*

	2024	2023	2022	2021	2020	2019	2018
<u>MMEHT:</u>							
Employer contributions	\$ 233	\$ 71	\$ -	\$ -	\$ 84	\$ 81	\$ 10
Benefit payments	(233)	(71)	-	-	(84)	(81)	(10)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 454,438	\$ 282,041	\$ 282,041	\$ 309,264	\$ 309,264	\$ 281,751	\$ 281,751
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

* The amounts presented for each fiscal year are for those years for which information is available.

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

TOWN OF ANSON, MAINE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024

Changes of Assumptions

MMEHT OPEB Plan:

There was a change in the discount rate from 3.72% to 3.26% per GASB 75 discount rate selection. Trends have been updated since the last valuation.

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

Other Supplementary Information

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

- 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 Permanent Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Permanent Funds
- Schedule of General Capital Assets by Function
- Schedule of Changes in General Capital Assets by Function

TOWN OF ANSON, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
General Government -					
Administration	\$ 402,240	\$ -	\$ 402,240	\$ 394,283	\$ 7,957
Selectboard	6,480	-	6,480	6,344	136
Planning board	400	-	400	83	317
Special officers	21,875	-	21,875	16,673	5,202
	<u>430,995</u>	<u>-</u>	<u>430,995</u>	<u>417,383</u>	<u>13,612</u>
Public Safety -					
Fire department	323,340	-	323,340	392,038	(68,698)
Forest services grant	4,800	-	4,800	990	3,810
Ambulance	44,005	-	44,005	43,529	476
EMA	3,160	-	3,160	2,637	523
Street lights	29,500	-	29,500	30,326	(826)
Storm drains	10,000	-	10,000	10,861	(861)
Hydrants	142,000	-	142,000	176,998	(34,998)
	<u>556,805</u>	<u>-</u>	<u>556,805</u>	<u>657,379</u>	<u>(100,574)</u>
Public Works -					
Public works	618,360	-	618,360	603,456	14,904
	<u>618,360</u>	<u>-</u>	<u>618,360</u>	<u>603,456</u>	<u>14,904</u>

TOWN OF ANSON, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
Recreation and Culture -					
Recreation	32,720	-	32,720	30,310	2,410
Decorations	13,800	-	13,800	14,837	(1,037)
	<u>46,520</u>	<u>-</u>	<u>46,520</u>	<u>45,147</u>	<u>1,373</u>
Health and Welfare -					
General assistance	3,150	-	3,150	-	3,150
Community programs	56,670	-	56,670	56,073	597
Recycling	185,625	-	185,625	228,018	(42,393)
	<u>245,445</u>	<u>-</u>	<u>245,445</u>	<u>284,091</u>	<u>(38,646)</u>
Education	<u>2,369,346</u>	<u>-</u>	<u>2,369,346</u>	<u>2,369,120</u>	<u>226</u>
County Tax	<u>445,182</u>	<u>-</u>	<u>445,182</u>	<u>445,182</u>	<u>-</u>
Debt Service -					
Principal	142,281	-	142,281	130,228	12,053
Interest	8,598	-	8,598	8,598	-
	<u>150,879</u>	<u>-</u>	<u>150,879</u>	<u>138,826</u>	<u>12,053</u>
Unclassified -					
Fire truck	122,116	-	122,116	121,650	466
Capital reserves	276,623	-	276,623	76,007	200,616
Overlay	14,848	-	14,848	5,026	9,822
	<u>413,587</u>	<u>-</u>	<u>413,587</u>	<u>202,683</u>	<u>210,904</u>
Transfers to Other Funds -					
Special revenue funds	11,600	-	11,600	11,600	-
	<u>11,600</u>	<u>-</u>	<u>11,600</u>	<u>11,600</u>	<u>-</u>
Total Departmental Operations	<u>\$ 5,288,719</u>	<u>\$ -</u>	<u>\$ 5,288,719</u>	<u>\$ 5,174,867</u>	<u>\$ 113,852</u>

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

TOWN OF ANSON, MAINE

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2024

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and cash equivalents	\$ -	\$ 219,269	\$ -	\$ 219,269
Investments	-	-	20,424	20,424
Accounts receivable - grants	328,072	-	-	328,072
Due from other funds	224,496	55,815	-	280,311
TOTAL ASSETS	<u>\$ 552,568</u>	<u>\$ 275,084</u>	<u>\$ 20,424</u>	<u>\$ 848,076</u>
LIABILITIES				
Due to other funds	\$ 658,894	\$ 34,180	\$ -	\$ 693,074
TOTAL LIABILITIES	<u>658,894</u>	<u>34,180</u>	<u>-</u>	<u>693,074</u>
FUND BALANCES (DEFICITS)				
Nonspendable	-	-	7,050	7,050
Restricted	-	-	13,374	13,374
Committed	224,496	240,904	-	465,400
Assigned	-	-	-	-
Unassigned	(330,822)	-	-	(330,822)
TOTAL FUND BALANCES (DEFICITS)	<u>(106,326)</u>	<u>240,904</u>	<u>20,424</u>	<u>155,002</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 552,568</u>	<u>\$ 275,084</u>	<u>\$ 20,424</u>	<u>\$ 848,076</u>

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

TOWN OF ANSON, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
REVENUES				
Intergovernmental	\$ 1,552,380	\$ -	\$ -	\$ 1,552,380
Sale of asset	-	59,981	-	59,981
Interest income	-	104	5	109
Other	29,380	-	-	29,380
TOTAL REVENUES	<u>1,581,760</u>	<u>60,085</u>	<u>5</u>	<u>1,641,850</u>
EXPENDITURES				
Capital outlay	1,696,081	392,632	-	2,088,713
TOTAL EXPENDITURES	<u>1,696,081</u>	<u>392,632</u>	<u>-</u>	<u>2,088,713</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(114,321)</u>	<u>(332,547)</u>	<u>5</u>	<u>(446,863)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	11,600	-	11,600
Transfers (out)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>11,600</u>	<u>-</u>	<u>11,600</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	<u>(114,321)</u>	<u>(320,947)</u>	<u>5</u>	<u>(435,263)</u>
FUND BALANCES (DEFICITS) - JANUARY 1, AS PREVIOUSLY REPORTED	-	186,273	20,419	206,692
FUND BALANCE CORRECTION	<u>7,995</u>	<u>375,578</u>	<u>-</u>	<u>383,573</u>
FUND BALANCES (DEFICITS) - JANUARY 1, AS RESTATED	<u>7,995</u>	<u>561,851</u>	<u>20,419</u>	<u>590,265</u>
FUND BALANCES (DEFICITS) - DECEMBER 31	<u>\$ (106,326)</u>	<u>\$ 240,904</u>	<u>\$ 20,424</u>	<u>\$ 155,002</u>

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

Special Revenue Funds

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

TOWN OF ANSON, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS

DECEMBER 31, 2024

	Covid-19 Pandemic	Fire Equipment Fundraising	Emergency Management	Planning Board Escrow	North Anson Fire Station/ HUD	State Snowmobile Grant and Reimbursement
ASSETS						
Accounts receivable - grants	\$ -	\$ -	\$ -	\$ -	\$ 269,248	\$ -
Due from other funds	182	280	4,420	3,113	-	-
TOTAL ASSETS	<u>\$ 182</u>	<u>\$ 280</u>	<u>\$ 4,420</u>	<u>\$ 3,113</u>	<u>\$ 269,248</u>	<u>\$ -</u>
LIABILITIES						
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ 308,483	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>308,483</u>	<u>-</u>
FUND BALANCES (DEFICITS)						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	182	280	4,420	3,113	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	(39,235)	-
TOTAL FUND BALANCES (DEFICITS)	<u>182</u>	<u>280</u>	<u>4,420</u>	<u>3,113</u>	<u>(39,235)</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 182</u>	<u>\$ 280</u>	<u>\$ 4,420</u>	<u>\$ 3,113</u>	<u>\$ 269,248</u>	<u>\$ -</u>

TOWN OF ANSON, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2024

	Storm Damage	ATV Grant	Election Grant	Grinch Storm	FEMA May 2023	FEMA Dec 2022	Railroad Account	Total
ASSETS								
Accounts receivable - grants	\$ -	\$ 44,277	\$ -	\$ -	\$ 14,547	\$ -	\$ -	\$ 328,072
Due from other funds	-	-	5,000	-	-	211,501	-	224,496
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 44,277</u>	<u>\$ 5,000</u>	<u>\$ -</u>	<u>\$ 14,547</u>	<u>\$ 211,501</u>	<u>\$ -</u>	<u>\$ 552,568</u>
LIABILITIES								
Due to other funds	\$ -	\$ 49,197	\$ -	\$ 103,237	\$ 197,977	\$ -	\$ -	\$ 658,894
TOTAL LIABILITIES	<u>-</u>	<u>49,197</u>	<u>-</u>	<u>103,237</u>	<u>197,977</u>	<u>-</u>	<u>-</u>	<u>658,894</u>
FUND BALANCES (DEFICITS)								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-
Committed	-	-	5,000	-	-	211,501	-	224,496
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	(4,920)	-	(103,237)	(183,430)	-	-	(330,822)
TOTAL FUND BALANCES (DEFICITS)	<u>-</u>	<u>(4,920)</u>	<u>5,000</u>	<u>(103,237)</u>	<u>(183,430)</u>	<u>211,501</u>	<u>-</u>	<u>(106,326)</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ -</u>	<u>\$ 44,277</u>	<u>\$ 5,000</u>	<u>\$ -</u>	<u>\$ 14,547</u>	<u>\$ 211,501</u>	<u>\$ -</u>	<u>\$ 552,568</u>

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

TOWN OF ANSON, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2024

	Covid-19 Pandemic	Fire Equipment Fundraising	Emergency Management	Planning Board Escrow	North Anson Fire Station/ HUD	State Snowmobile Grant and Reimbursement
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 1,192,147	\$ 26,372
Other	-	-	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,192,147</u>	<u>26,372</u>
EXPENDITURES						
Capital outlay	-	-	-	-	1,231,382	26,372
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,231,382</u>	<u>26,372</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(39,235)</u>	<u>-</u>
FUND BALANCES (DEFICITS) - JANUARY 1, AS PREVIOUSLY REPORTED	-	-	-	-	-	-
FUND BALANCE CORRECTION	<u>182</u>	<u>280</u>	<u>4,420</u>	<u>3,113</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS) - JANUARY 1, AS RESTATED	<u>182</u>	<u>280</u>	<u>4,420</u>	<u>3,113</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS) - DECEMBER 31	<u>\$ 182</u>	<u>\$ 280</u>	<u>\$ 4,420</u>	<u>\$ 3,113</u>	<u>\$ (39,235)</u>	<u>\$ -</u>

TOWN OF ANSON, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2024

	Storm Damage	ATV Grant	Election Grant	Grinch Storm	FEMA May 2023	FEMA Dec 2022	Railroad Account	Total
REVENUES								
Intergovernmental	\$ -	\$ 44,278	\$ 5,000	\$ 73,082	\$ -	\$ 211,501	\$ -	\$ 1,552,380
Other	26,380	-	-	-	-	-	3,000	29,380
TOTAL REVENUES	<u>26,380</u>	<u>44,278</u>	<u>5,000</u>	<u>73,082</u>	<u>-</u>	<u>211,501</u>	<u>3,000</u>	<u>1,581,760</u>
EXPENDITURES								
Capital outlay	26,380	49,198	-	176,319	183,430	-	3,000	1,696,081
TOTAL EXPENDITURES	<u>26,380</u>	<u>49,198</u>	<u>-</u>	<u>176,319</u>	<u>183,430</u>	<u>-</u>	<u>3,000</u>	<u>1,696,081</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	<u>-</u>	<u>(4,920)</u>	<u>5,000</u>	<u>(103,237)</u>	<u>(183,430)</u>	<u>211,501</u>	<u>-</u>	<u>(114,321)</u>
FUND BALANCES (DEFICITS) - JANUARY 1, AS PREVIOUSLY REPORTED	-	-	-	-	-	-	-	-
FUND BALANCE CORRECTION	-	-	-	-	-	-	-	7,995
FUND BALANCES (DEFICITS) - JANUARY 1, AS RESTATED	-	-	-	-	-	-	-	7,995
FUND BALANCES (DEFICITS) - DECEMBER 31	<u>\$ -</u>	<u>\$ (4,920)</u>	<u>\$ 5,000</u>	<u>\$ (103,237)</u>	<u>\$ (183,430)</u>	<u>\$ 211,501</u>	<u>\$ -</u>	<u>\$ (106,326)</u>

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

Capital Project 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 ANSON, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECT FUNDS
DECEMBER 31, 2024

	Fire Department Capital	Windmill Repair	Sidewalks	Highway Building	Fire Department Equipment	Highway Equipment	Total
ASSETS							
Cash and cash equivalents	\$ 219,269	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 219,269
Due from other funds	-	558	9,600	30,552	15,105	-	55,815
TOTAL ASSETS	<u>\$ 219,269</u>	<u>\$ 558</u>	<u>\$ 9,600</u>	<u>\$ 30,552</u>	<u>\$ 15,105</u>	<u>\$ -</u>	<u>275,084</u>
LIABILITIES							
Due to other funds	\$ 34,180	\$ -	\$ -	\$ -	\$ -	\$ -	34,180
TOTAL LIABILITIES	<u>34,180</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,180</u>
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	185,089	558	9,600	30,552	15,105	-	240,904
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>185,089</u>	<u>558</u>	<u>9,600</u>	<u>30,552</u>	<u>15,105</u>	<u>-</u>	<u>240,904</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 219,269</u>	<u>\$ 558</u>	<u>\$ 9,600</u>	<u>\$ 30,552</u>	<u>\$ 15,105</u>	<u>\$ -</u>	<u>275,084</u>

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

TOWN OF ANSON, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Fire Department Capital	Windmill Repair	Sidewalks	Highway Building	Fire Department Equipment	Highway Equipment	Total
REVENUES							
Sale of asset	\$ -	\$ -	\$ -	\$ -	\$ 14,981	\$ 45,000	\$ 59,981
Interest income	104	-	-	-	-	-	104
TOTAL REVENUES	<u>104</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,981</u>	<u>45,000</u>	<u>60,085</u>
EXPENDITURES							
Capital outlay	13,621	-	-	-	334,011	45,000	392,632
TOTAL EXPENDITURES	<u>13,621</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>334,011</u>	<u>45,000</u>	<u>392,632</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(13,517)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(319,030)</u>	<u>-</u>	<u>(332,547)</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	11,600	-	-	-	-	-	11,600
Transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>11,600</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,600</u>
NET CHANGE IN FUND BALANCES	<u>(1,917)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(319,030)</u>	<u>-</u>	<u>(320,947)</u>
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	186,273	-	-	-	-	-	186,273
FUND BALANCE CORRECTION	<u>733</u>	<u>558</u>	<u>9,600</u>	<u>30,552</u>	<u>334,135</u>	<u>-</u>	<u>375,578</u>
FUND BALANCES - JANUARY 1, AS RESTATED	<u>187,006</u>	<u>558</u>	<u>9,600</u>	<u>30,552</u>	<u>334,135</u>	<u>-</u>	<u>561,851</u>
FUND BALANCES - DECEMBER 31	<u>\$ 185,089</u>	<u>\$ 558</u>	<u>\$ 9,600</u>	<u>\$ 30,552</u>	<u>\$ 15,105</u>	<u>\$ -</u>	<u>\$ 240,904</u>

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

Permanent Funds

Permanent Funds are used to account for assets held by the Town 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.

TOWN OF ANSON, MAINE

COMBINING BALANCE SHEET - NONMAJOR PERMANENT FUNDS
DECEMBER 31, 2024

	Cemetery	Sunset Cemetery	Walker Cemetery	School Trust	School Fund	Total
ASSETS						
Investments	\$ 5,549	\$ 3,317	\$ 632	\$ 8,090	\$ 2,836	\$ 20,424
TOTAL ASSETS	<u>\$ 5,549</u>	<u>\$ 3,317</u>	<u>\$ 632</u>	<u>\$ 8,090</u>	<u>\$ 2,836</u>	<u>\$ 20,424</u>
LIABILITIES						
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Nonspendable	1,650	3,000	-	2,400	-	7,050
Restricted	3,899	317	632	5,690	2,836	13,374
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>5,549</u>	<u>3,317</u>	<u>632</u>	<u>8,090</u>	<u>2,836</u>	<u>20,424</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 5,549</u>	<u>\$ 3,317</u>	<u>\$ 632</u>	<u>\$ 8,090</u>	<u>\$ 2,836</u>	<u>\$ 20,424</u>

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

TOWN OF ANSON, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR PERMANENT FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>Cemetery</u>	<u>Sunset Cemetery</u>	<u>Walker Cemetery</u>	<u>School Trust</u>	<u>School Fund</u>	<u>Total</u>
REVENUES						
Interest income	\$ 1	\$ 1	\$ -	\$ 2	\$ 1	\$ 5
TOTAL REVENUES	<u>1</u>	<u>1</u>	<u>-</u>	<u>2</u>	<u>1</u>	<u>5</u>
EXPENDITURES						
Other	-	-	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	1	1	-	2	1	5
FUND BALANCES - JANUARY 1	<u>5,548</u>	<u>3,316</u>	<u>632</u>	<u>8,088</u>	<u>2,835</u>	<u>20,419</u>
FUND BALANCES - DECEMBER 31	<u>\$ 5,549</u>	<u>\$ 3,317</u>	<u>\$ 632</u>	<u>\$ 8,090</u>	<u>\$ 2,836</u>	<u>\$ 20,424</u>

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

General Capital Assets

General capital assets are those assets related to activities reported in the governmental funds. These assets are reported in the governmental activities' column of the government-wide statement of net position.

TOWN OF ANSON, MAINE

SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION
DECEMBER 31, 2024

	Land and Non-depreciable Assets	Buildings, Building Improvements and Land Improvements	Furniture, Fixtures, Equipment and Vehicles	Infrastructure	Total
General Government	\$ 45,710	\$ 210,090	\$ 24,843	\$ 964,646	\$ 1,245,289
Public Safety	11,000	1,595,602	1,910,781	-	3,517,383
Public Works	63,317	455,479	1,541,829	3,866,692	5,927,317
Sewer	84,080	-	3,710,324	306,596	4,101,000
Total General Capital Assets	204,107	2,261,171	7,187,777	5,137,934	14,790,989
Less: Accumulated Depreciation	-	(180,963)	(5,152,880)	(3,123,331)	(8,457,174)
Net General Capital Assets	\$ 204,107	\$ 2,080,208	\$ 2,034,897	\$ 2,014,603	\$ 6,333,815

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

TOWN OF ANSON, MAINE

SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS BY FUNCTION
FOR THE YEAR ENDED DECEMBER 31, 2024

	General Capital Assets 1/1/24 (Restated)	Additions	Deletions	General Capital Assets 12/31/24
General Government	\$ 1,238,949	\$ 6,340	\$ -	\$ 1,245,289
Public Safety	1,729,166	1,960,727	(172,510)	3,517,383
Public Works	5,361,099	893,218	(327,000)	5,927,317
Sewer	4,101,000	-	-	4,101,000
Total General Capital Assets	12,430,214	2,860,285	(499,510)	14,790,989
Less: Accumulated Depreciation	(8,544,101)	(291,441)	378,368	(8,457,174)
Net General Capital Assets	<u>\$ 3,886,113</u>	<u>\$ 2,568,844</u>	<u>\$ (121,142)</u>	<u>\$ 6,333,815</u>

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



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

Selectboard
Town of Anson
Anson, 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 Anson, Maine as of and for the year ended December 31, 2024 and the related notes to the financial statements, which collectively comprise the Town of Anson, Maine's basic financial statements and have issued our report thereon dated January 5, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Anson, Maine's internal control over financial reporting (internal control) as a basis for designing 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 Anson, Maine's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Anson, 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 organization'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 or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Anson, 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. We noted certain other matters that we reported to management of the Town of Anson, Maine in a separate letter dated January 5, 2026.

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 organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

RHR Smith & Company

Buxton, Maine
January 5, 2026