

Audited Financial Statements and  
Other Financial Information

**Town of Jay, Maine**

June 30, 2024



*Proven Expertise & Integrity*

TOWN OF JAY, MAINE

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JUNE 30, 2024

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## INDEPENDENT AUDITOR'S REPORT

Selectboard  
Town of Jay  
Jay, 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 Jay, Maine, as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Town of Jay, Maine as of June 30, 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 Jay, Maine and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation and maintenance of 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 Jay, 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 Jay, 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 Jay, 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, pension and OPEB information on pages 5 through 13 and 63 through 69 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 Jay, Maine's basic financial statements. The Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund Revenues, Schedule of Departmental Operations - General Fund, combining and individual nonmajor fund financial statements and capital asset schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund Revenues, Schedule of Departmental Operations - General Fund, combining and individual nonmajor fund financial statements and capital asset schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 5, 2025, on our consideration of the Town of Jay, 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 Jay, Maine's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Jay, Maine's internal control over financial reporting and compliance.

*RHR Smith & Company*

Buxton, Maine  
March 5, 2025



**REQUIRED SUPPLEMENTARY INFORMATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

**(UNAUDITED)**

The following management's discussion and analysis of the Town of Jay, Maine's financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2024. Please read it in conjunction with the Town's financial statements.

**Financial Statement Overview**

The Town of Jay, 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 schedules 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 Jay 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, transfer station, recreation and library, education, insurance 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 Jay 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 Jay, 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 Jay can be divided into two categories: governmental funds and proprietary funds.

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

Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. These reconciliations are presented on the page immediately following each governmental fund financial statement.

The Town of Jay presents three columns in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances. The Town's major governmental funds are the general fund and FEMA 23/24 disaster relief. 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 Jay 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 Funds.

### **Required Supplementary Information**

The basic financial statements are followed by a section of required supplementary information, which includes a Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund, Schedule of Proportionate Share of the Net Pension Liability, Schedule of Contributions - Pension, 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, capital asset activity and other detailed budgetary information for the general fund.

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

Our analysis below focuses on net position and the changes in net position of the Town's governmental and business-type activities. The Town's total net position for governmental activities decreased by \$1,118,351 from \$17,093,484 to \$15,975,133. The Town's total net position for business-type activities increased by \$41,155 from a balance of \$3,411,093 to a balance of \$3,452,248.

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 \$8,272,642 at the end of this year. Unrestricted net position for business-type activities increased to a deficit balance of \$691,867.

**Table 1**  
**Town of Jay, Maine**  
**Net Position**  
**June 30,**

	Governmental Activities		Business-type Activities	
	2024	2023 (Restated)	2024	2023
<b>Assets:</b>				
Current Assets	\$ 9,315,881	\$ 9,618,816	\$ 74,889	\$ 51,120
Noncurrent Assets:				
Capital Assets	7,537,363	7,990,571	5,750,299	5,943,645
Other Assets	102,666	153,999	-	-
<b>Total Assets</b>	16,955,910	17,763,386	5,825,188	5,994,765
<b>Deferred Outflows of Resources:</b>				
Deferred Outflows Related to Pensions	242,705	309,899	-	-
Deferred Outflows Related to OPEB	23,221	42,462	-	-
<b>Total Deferred Inflows of Resources</b>	265,926	352,361	-	-
<b>Liabilities:</b>				
Current Liabilities	140,908	163,802	945,900	977,488
Noncurrent Liabilities	605,287	551,904	1,427,040	1,606,184
<b>Total Liabilities</b>	746,195	715,706	2,372,940	2,583,672
<b>Deferred Inflows of Resources:</b>				
Prepaid Taxes	48,925	6,361	-	-
Deferred Revenue	358,468	122,665	-	-
Deferred Inflows Related to Pensions	77,730	158,874	-	-
Deferred Inflows Related to OPEB	15,385	18,657	-	-
<b>Total Deferred Inflows of Resources</b>	500,508	306,557	-	-
<b>Net Position:</b>				
Net Investment in Capital Assets	7,434,697	7,836,572	4,144,115	4,158,317
Restricted	267,794	201,515	-	-
Unrestricted (Deficit)	8,272,642	9,055,397	(691,867)	(747,224)
<b>Total Net Position</b>	\$ 15,975,133	\$ 17,093,484	\$ 3,452,248	\$ 3,411,093

**Table 2**  
**Town of Jay, Maine**  
**Change in Net Position**  
**For the Years Ended June 30,**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Revenues				
<i>Program Revenues:</i>				
Charges for services	\$ 177,563	\$ 169,809	\$ 566,758	\$ 481,777
Operating grants and contributions	98,136	166,814	-	-
Capital grants and contributions	1,384,096	-	-	-
<i>General Revenues:</i>				
Property taxes	6,398,764	7,298,835	-	-
Excise taxes	968,430	899,531	-	-
Grants and contributions not restricted to specific programs	2,439,459	2,483,699	-	-
Miscellaneous	376,077	388,242	-	-
Total Revenues	<u>11,842,525</u>	<u>11,406,930</u>	<u>566,758</u>	<u>481,777</u>
Expenses				
General government	546,004	348,076	-	-
Public safety	1,673,863	1,614,294	-	-
Public works	4,038,107	2,556,261	-	-
Transfer station	-	-	-	-
Recreation and library	194,055	194,600	-	-
Education	4,545,786	4,488,178	-	-
County tax	709,523	797,979	-	-
Insurance	168,871	116,317	-	-
Capital outlay	158,384	147,690	-	-
Unallocated depreciation (Note 5)	45,827	43,653	-	-
Sewer department	-	-	827,558	744,217
Unclassified	578,501	511,854	-	-
Total Expenses	<u>12,658,921</u>	<u>10,818,902</u>	<u>827,558</u>	<u>744,217</u>
Transfers	<u>(301,955)</u>	<u>(93,322)</u>	<u>301,955</u>	<u>93,322</u>
Change in Net Position	<u>(1,118,351)</u>	<u>494,706</u>	<u>41,155</u>	<u>(169,118)</u>
Net Position - July 1, as Previously Reported	17,553,817	17,059,111	3,411,093	3,580,211
Net Position Corrections	<u>(460,333)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Position - July 1, As Restated	<u>17,093,484</u>	<u>17,059,111</u>	<u>3,411,093</u>	<u>3,580,211</u>
Net Position - June 30	<u>\$ 15,975,133</u>	<u>\$ 17,553,817</u>	<u>\$ 3,452,248</u>	<u>\$ 3,411,093</u>

### Revenues and Expenses

Revenues for the Town's governmental activities increased by 3.82%, while total expenses increased by 17.01%. The largest increase in revenues was in capital grants and contributions offset by an decrease in property taxes. The largest increase in expenses was in public works.

Revenues for the Town's business-type activities decreased by 7.85%, while total expenses decreased by 5.30%.

## 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 Jay, Maine**  
**Fund Balances - Governmental Funds**  
**June 30,**

	<b>2024</b>	<b>2023 (Restated)</b>	<b>Increase/ (Decrease)</b>
<b>General Fund:</b>			
Nonspendable	\$ 12,206	\$ 39,549	\$ (27,343)
Committed	313,000	-	313,000
Assigned	-	118,500	(118,500)
Unassigned	5,757,576	6,545,741	(788,165)
<b>Total General Fund</b>	<b>\$ 6,082,782</b>	<b>\$ 6,703,790</b>	<b>\$ (621,008)</b>
<b>FEMA 23/24 Disaster Relief:</b>			
Unassigned (deficit)	\$ (190,293)	\$ -	\$ (190,293)
<b>Total FEMA 23/24 Disaster Relief</b>	<b>\$ (190,293)</b>	<b>\$ -</b>	<b>\$ (190,293)</b>
<b>Nonmajor Funds:</b>			
<b>Special revenue funds:</b>			
Restricted	\$ 248,123	\$ 182,532	\$ 65,591
Committed	2,478,833	2,321,248	157,585
Assigned	24,329	19,990	4,339
Unassigned (deficit)	(6,168)	(6,168)	-
<b>Permanent funds:</b>			
Nonspendable	17,500	17,500	-
Restricted	2,171	1,483	688
<b>Total Nonmajor Funds</b>	<b>\$ 2,764,788</b>	<b>\$ 2,536,585</b>	<b>\$ 228,203</b>

The changes to total fund balances for the general fund was due to the planned utilization of fund balance. The FEMA 23/24 disaster relief fund change was due to the activity potentially related to FEMA in the fiscal year. The aggregate nonmajor funds change 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, a proprietary fund had a net position for the current year of \$3,452,248. This was an increase of \$41,155 from the prior year.

## Budgetary Highlights

The difference between the original and final budget for the general fund was due to the use of applied receipts.

The general fund actual revenues were in excess of budgeted amounts by \$362,664. This was a result of all revenue categories being receipted over budgeted amounts with the exception of property taxes.

The general fund actual expenditures were under budgeted amounts by \$534,628. All expenditure categories were within or under budgeted amounts with the exception of insurance.

## Capital Asset and Debt Administration

### Capital Assets

As of June 30, 2024, the net book value of capital assets recorded by the Town decreased by \$646,554 when compared to the prior year. This decrease is the result of capital additions of \$396,073, less net disposals of \$131,937 and current year depreciation expense of \$910,690.

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

	<u>2024</u>	<u>2023</u>
Land	\$ 778,978	\$ 778,978
Construction in progress	127,854	127,854
Buildings, building and land improvements	1,448,065	1,516,506
Machinery and equipment	352,619	402,999
Vehicles	1,011,088	993,598
Infrastructure	9,569,058	10,114,281
Total	<u>\$ 13,287,662</u>	<u>\$ 13,934,216</u>

### Debt

At June 30, 2024, the Town had \$1,708,850 in bonds payable outstanding versus \$1,939,327 last year, a decrease of 11.88%. Refer to Note 7 of Notes to Financial Statements for more detailed information.

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

To further promote and ensure the financial well-being and fiscal stability of the Town, the Jay Selectboard adopted an Unassigned Fund Balance Policy in August of 2012. The Town's management designed the policy around maintaining an appropriate level of Unassigned Fund Balance with the intent to provide a source of funding for unforeseen emergencies, cash flow to offset the need for borrowing in anticipation of tax receipts and evidence to the Town's bondholders and bond rating agencies of financial stability and credit worthiness. Funds may also be used with the approval of a special or annual Town Meeting.

The policy requires that the target balance for unassigned fund balance consist of three tiers:

1. A minimum level of unassigned fund balance level equal to 60-days of the current year's approved expense appropriation for the municipal budget (or the approved municipal budget divided by the number of calendar days in that year, multiplied by 60 days).
2. A target level of unassigned fund balance equal to 90-days of the current year's approved expense appropriation for the municipal budget (or the approved municipal budget divided by the number of calendar days in that year, multiplied by 90 days).
3. A maximum level of unassigned fund balance level equal to 90-days of the current year's approved expense appropriation for the municipal budget (or the approved municipal budget divided by the number of calendar days in that year, multiplied by 90 days).

The policy also includes a provision for the suggested utilization of excess funds as an offset to the budgetary impact on the Town's mil rate or for other valid purposes which benefit the taxpayer including response to emergency funding needs. All uses of excess unassigned fund balance must receive prior Town Meeting approval.

### **Currently Known Facts, Decisions or Conditions**

On March 9, 2023, Pixelle Specialty Solutions ceased all operations in the Town of Jay. As of June 30, 2024, the mill was being marketed for sale but with restrictions on future paper making. Closure of the mill will affect the Town's tax valuation and ultimately the mil rate. The Town will be filing for Sudden and Severe Valuation Loss with Maine Revenue following the commitment of taxes in August. If approved, this will result in additional State funding for education and revenue sharing which will help to reduce the burden on the taxpayers. The Town maintains a healthy unassigned fund balance for situations such as this and it is likely that the Board will use some of this unassigned funds to stabilize the tax rate in August.



## **Requests for Information**

This financial report is designed to provide our citizens, taxpayers, customers and investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town Finance Department at 340 Main Street, Jay, Maine 04239.

## STATEMENT A

## TOWN OF JAY, MAINE

STATEMENT OF NET POSITION  
JUNE 30, 2024

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 6,159,383	\$ -	\$ 6,159,383
Investments	254,659	-	254,659
Accounts receivable (net of allowance for uncollectibles):			
Taxes	223,419	57,761	281,180
Liens	55,046	17,128	72,174
Other	189,465	-	189,465
Due from other governments	1,672,022	-	1,672,022
Prepaid items	12,206	-	12,206
Internal balances	749,681	(749,681)	-
Total current assets	<u>9,315,881</u>	<u>(674,792)</u>	<u>8,641,089</u>
Noncurrent assets:			
Capital assets:			
Non depreciable assets	879,397	27,435	906,832
Depreciated assets net of accumulated depreciation	6,657,966	5,722,864	12,380,830
Receivable for long-term debt obligations from RSU No. 73	102,666	-	102,666
Total noncurrent assets	<u>7,640,029</u>	<u>5,750,299</u>	<u>13,390,328</u>
<b>TOTAL ASSETS</b>	<u>16,955,910</u>	<u>5,075,507</u>	<u>22,031,417</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows of resources related to pensions	242,705	-	242,705
Deferred outflows of resources related to OPEB	23,221	-	23,221
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<u>265,926</u>	<u>-</u>	<u>265,926</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u>\$ 17,221,836</u>	<u>\$ 5,075,507</u>	<u>\$ 22,297,343</u>

STATEMENT A (CONTINUED)  
TOWN OF JAY, MAINE

STATEMENT OF NET POSITION  
JUNE 30, 2024

	Governmental Activities	Business-type Activities	Total
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	\$ 50,625	\$ 16,573	\$ 67,198
Accrued payroll	27,608	502	28,110
Due to other governments	931	-	931
Current portion of long-term obligations	61,744	179,144	240,888
Total current liabilities	<u>140,908</u>	<u>196,219</u>	<u>337,127</u>
Noncurrent liabilities:			
Noncurrent portion of long-term obligations:			
Bonds payable	51,333	1,427,040	1,478,373
Accrued compensated absences	19,336	-	19,336
Net pension liability	458,061	-	458,061
Net OPEB liability	76,557	-	76,557
Total noncurrent liabilities	<u>605,287</u>	<u>1,427,040</u>	<u>2,032,327</u>
<b>TOTAL LIABILITIES</b>	<u>746,195</u>	<u>1,623,259</u>	<u>2,369,454</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Prepaid taxes	48,925	-	48,925
Deferred revenue	358,468	-	358,468
Deferred inflows of resources related to pensions	77,730	-	77,730
Deferred inflows of resources related to OPEB	15,385	-	15,385
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>500,508</u>	<u>-</u>	<u>500,508</u>
<b>NET POSITION</b>			
Net investment in capital assets	7,434,697	4,144,115	11,578,812
Restricted	267,794	-	267,794
Unrestricted (deficit)	8,272,642	(691,867)	7,580,775
<b>TOTAL NET POSITION</b>	<u>15,975,133</u>	<u>3,452,248</u>	<u>19,427,381</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<u>\$ 17,221,836</u>	<u>\$ 5,075,507</u>	<u>\$ 22,297,343</u>

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

## TOWN OF JAY, MAINE

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 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	\$ 546,004	\$ 38,012	\$ -	\$ -	\$ (507,992)	\$ -	\$ (507,992)
Public safety	1,673,863	119,622	-	-	(1,554,241)	-	(1,554,241)
Public works	4,038,107	19,929	98,136	1,384,096	(2,535,946)	-	(2,535,946)
Recreation and library	194,055	-	-	-	(194,055)	-	(194,055)
Education	4,545,786	-	-	-	(4,545,786)	-	(4,545,786)
County tax	709,523	-	-	-	(709,523)	-	(709,523)
Insurance	168,871	-	-	-	(168,871)	-	(168,871)
Capital outlay	158,384	-	-	-	(158,384)	-	(158,384)
Unallocated depreciation* (Note 5)	45,827	-	-	-	(45,827)	-	(45,827)
Unclassified	578,501	-	-	-	(578,501)	-	(578,501)
Total governmental activities	<u>12,658,921</u>	<u>177,563</u>	<u>98,136</u>	<u>1,384,096</u>	<u>(10,999,126)</u>	<u>-</u>	<u>(10,999,126)</u>
Business-type activities:							
Sewer department	827,558	566,758	-	-	-	(260,800)	(260,800)
Total business-type activities	<u>827,558</u>	<u>566,758</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(260,800)</u>	<u>(260,800)</u>
Total government	<u>\$ 13,486,479</u>	<u>\$ 744,321</u>	<u>\$ 98,136</u>	<u>\$ 1,384,096</u>	<u>(10,999,126)</u>	<u>(260,800)</u>	<u>(11,259,926)</u>

\* This amount excludes the depreciation that is included in the direct expenses of the various programs.

## TOWN OF JAY, MAINE

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2024

	Governmental Activities	Business- type Activities	Total
Changes in net position:			
Net (expense) revenue	<u>(10,999,126)</u>	<u>(260,800)</u>	<u>(11,259,926)</u>
General revenues:			
Taxes:			
Property taxes, levied for general purposes	6,398,764	-	6,398,764
Excise taxes	968,430	-	968,430
Grants and contributions not restricted to specific programs	2,439,459	-	2,439,459
Miscellaneous	376,077	-	376,077
Total general revenues	<u>10,182,730</u>	<u>-</u>	<u>10,182,730</u>
Transfers	<u>(301,955)</u>	<u>301,955</u>	<u>-</u>
Change in net position	<u>(1,118,351)</u>	<u>41,155</u>	<u>(1,077,196)</u>
NET POSITION - JULY 1, AS PREVIOUSLY REPORTED	17,553,817	3,411,093	20,964,910
NET POSITION CORRECTIONS	<u>(460,333)</u>	<u>-</u>	<u>(460,333)</u>
NET POSITION - JULY 1, RESTATED	<u>17,093,484</u>	<u>3,411,093</u>	<u>20,504,577</u>
NET POSITION - JUNE 30	<u>\$ 15,975,133</u>	<u>\$ 3,452,248</u>	<u>\$ 19,427,381</u>

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

## TOWN OF JAY, MAINE

BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2024

	General Fund	Formerly Non- Major Fund FEMA 23/24 Disaster Relief	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 4,986,111	\$ -	\$ 1,173,272	\$ 6,159,383
Investments	-	-	254,659	254,659
Accounts receivable (net of allowance for uncollectibles):				
Taxes	223,419	-	-	223,419
Liens	55,046	-	-	55,046
Other	189,465	-	-	189,465
Due from other governments	-	1,672,022	-	1,672,022
Prepaid items	12,206	-	-	12,206
Due from other funds	2,432,725	-	1,516,054	3,948,779
<b>TOTAL ASSETS</b>	<b>\$ 7,898,972</b>	<b>\$ 1,672,022</b>	<b>\$ 2,943,985</b>	<b>\$ 12,514,979</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 50,625	\$ -	\$ -	\$ 50,625
Accrued expenses	27,608	-	-	27,608
Due to other governments	931	-	-	931
Due to other funds	1,516,054	1,599,492	83,552	3,199,098
<b>TOTAL LIABILITIES</b>	<b>1,595,218</b>	<b>1,599,492</b>	<b>83,552</b>	<b>3,278,262</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Prepaid taxes	48,925	-	-	48,925
Deferred revenue	-	262,823	95,645	358,468
Deferred tax revenue	172,047	-	-	172,047
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>220,972</b>	<b>262,823</b>	<b>95,645</b>	<b>579,440</b>
<b>FUND BALANCES (DEFICITS)</b>				
Nonspendable	12,206	-	17,500	29,706
Restricted	-	-	250,294	250,294
Committed	313,000	-	2,478,833	2,791,833
Assigned	-	-	24,329	24,329
Unassigned (deficit)	5,757,576	(190,293)	(6,168)	5,561,115
<b>TOTAL FUND BALANCES (DEFICITS)</b>	<b>6,082,782</b>	<b>(190,293)</b>	<b>2,764,788</b>	<b>8,657,277</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)</b>	<b>\$ 7,898,972</b>	<b>\$ 1,672,022</b>	<b>\$ 2,943,985</b>	<b>\$ 12,514,979</b>

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

## TOWN OF JAY, MAINE

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2024

	Total Governmental Funds
Total Fund Balances	\$ 8,657,277
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	7,537,363
Long-term assets are not available in the current period and therefore are not reported as assets in the funds:	
Receivable for long-term debt obligations from RSU No. 73	102,666
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	172,047
Deferred outflows of resources are not financial resources and therefore are not reported in the funds:	
Pension	242,705
OPEB	23,221
Long-term obligations are not due and payable in the current period and therefore are not reported in the funds:	
Bonds payable	(102,666)
Accrued compensated absences	(29,747)
Net pension liability	(458,061)
Net OPEB liability	(76,557)
Deferred inflows of resources are not financial resources and therefore are not reported in the funds:	
Pension	(77,730)
OPEB	(15,385)
Net position of governmental activities	\$ 15,975,133

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

## TOWN OF JAY, MAINE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2024

	General Fund	<i>Formerly Non- Major Fund</i> FEMA 23/24 Disaster Relief	Other Governmental Funds	Total Governmental Funds
REVENUES				
Property taxes	\$ 6,364,620	\$ -	\$ -	\$ 6,364,620
Excise taxes	968,430	-	-	968,430
Intergovernmental	2,374,758	1,384,096	162,837	3,921,691
Charges for services	177,563	-	-	177,563
Miscellaneous revenues	360,887	-	66,523	427,410
TOTAL REVENUES	<u>10,246,258</u>	<u>1,384,096</u>	<u>229,360</u>	<u>11,859,714</u>
EXPENDITURES				
Current:				
General government	530,708	-	28,347	559,055
Public safety	1,647,878	-	9,912	1,657,790
Public works	1,994,503	1,574,389	-	3,568,892
Recreation and library	194,055	-	-	194,055
Education	4,545,786	-	-	4,545,786
County tax	709,523	-	-	709,523
Insurance	168,871	-	-	168,871
Unclassified	183,787	-	394,714	578,501
Capital outlay	-	-	158,384	158,384
TOTAL EXPENDITURES	<u>9,975,111</u>	<u>1,574,389</u>	<u>591,357</u>	<u>12,140,857</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>271,147</u>	<u>(190,293)</u>	<u>(361,997)</u>	<u>(281,143)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	594,944	594,944
Transfers (out)	(892,155)	-	(4,744)	(896,899)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(892,155)</u>	<u>-</u>	<u>590,200</u>	<u>(301,955)</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	<u>(621,008)</u>	<u>(190,293)</u>	<u>228,203</u>	<u>(583,098)</u>
FUND BALANCES (DEFICITS) - JULY 1, AS PREVIOUSLY REPORTED	7,041,458	-	2,659,250	9,700,708
FUND BALANCE CORRECTIONS	<u>(337,668)</u>	<u>-</u>	<u>(122,665)</u>	<u>(460,333)</u>
FUND BALANCES (DEFICITS) - JULY 1, RESTATED	<u>6,703,790</u>	<u>-</u>	<u>2,536,585</u>	<u>9,240,375</u>
FUND BALANCES (DEFICITS) - JUNE 30	<u>\$ 6,082,782</u>	<u>\$ (190,293)</u>	<u>\$ 2,764,788</u>	<u>\$ 8,657,277</u>

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



## TOWN OF JAY, 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 JUNE 30, 2024

Net change in fund balances - total governmental funds (Statement E)	<u>\$ (583,098)</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	342,240
Capital asset disposals	(92,937)
Depreciation expense	<u>(702,511)</u>
	<u>(453,208)</u>
Revenues in the Statement of Activities that do not provide current financial resources are not reported.	
Taxes and liens receivable	<u>34,144</u>
Receivable for long-term debt obligations from RSU No. 73	<u>(51,333)</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:	
Pension	(67,194)
OPEB	<u>(19,241)</u>
	<u>(86,435)</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>51,333</u>
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:	
Accrued compensated absences	(10,605)
Net pension liability	(79,525)
Net OPEB liability	<u>(24,040)</u>
	<u>(114,170)</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:	
Pension	81,144
OPEB	<u>3,272</u>
	<u>84,416</u>
Change in net position of governmental activities (Statement B)	<u><u>\$ (1,118,351)</u></u>

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

## TOWN OF JAY, MAINE

STATEMENT OF NET POSITION - PROPRIETARY FUNDS  
JUNE 30, 2024

	Business-type Activities Enterprise Funds Sewer Department
<b>ASSETS</b>	
Current assets:	
Taxes	\$ 57,761
Liens	17,128
Total current assets	<u>74,889</u>
Noncurrent assets:	
Capital assets:	
Land and buildings	1,245,435
Vehicles, machinery and equipment	276,069
Infrastructure	10,871,376
Total capital assets	<u>12,392,880</u>
Less: accumulated depreciation	<u>(6,642,581)</u>
Net capital assets	<u>5,750,299</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 5,825,188</u></u>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	\$ 16,573
Accrued expenses	502
Due to other funds	749,681
Bonds payable, current portion	179,144
Total current liabilities	<u>945,900</u>
Noncurrent liabilities:	
Noncurrent portion of long-term obligations:	
Bonds payable, net of current portion	1,427,040
Total noncurrent liabilities	<u>1,427,040</u>
<b>TOTAL LIABILITIES</b>	<u>2,372,940</u>
<b>NET POSITION</b>	
Net investment in capital assets	4,144,115
Unrestricted (deficit)	(691,867)
<b>TOTAL NET POSITION</b>	<u>3,452,248</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u><u>\$ 5,825,188</u></u>

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

## TOWN OF JAY, MAINE

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2024

	Business-type Activities <u>Enterprise Funds</u> Sewer <u>Department</u>
OPERATING REVENUES	
Charges for services	\$ 566,758
TOTAL OPERATING REVENUES	<u>566,758</u>
OPERATING EXPENSES	
Payroll and related benefits	162,103
Treatment fees	267,062
Repairs and maintenance	19,179
Supplies	580
Utilities	47,646
Depreciation	208,179
TOTAL OPERATING EXPENSES	<u>704,749</u>
OPERATING INCOME (LOSS)	<u>(137,991)</u>
NONOPERATING REVENUES (EXPENSES)	
Transfers in	301,955
LFSTP agreement expense	(122,809)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>179,146</u>
NET CHANGE IN NET POSITION	41,155
NET POSITION - JULY 1	<u>3,411,093</u>
NET POSITION - JUNE 30	<u>\$ 3,452,248</u>

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

## TOWN OF JAY, MAINE

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS  
FOR THE YEAR JUNE 30, 2024

	Business-type Activities Enterprise Funds Sewer Department
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	\$ 542,989
Payments to suppliers	(366,286)
Payments to employees	(161,872)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>14,831</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Transfer in from general fund - debt service	301,955
Purchases of capital assets	(14,833)
Principal payments on bonds and notes payable	(179,144)
LFSTP agreement	(122,809)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(14,831)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-
CASH AND CASH EQUIVALENTS - JULY 1	<u>-</u>
CASH AND CASH EQUIVALENTS - JUNE 30	<u><u>\$ -</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:	
Operating income (loss)	\$ (137,991)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation expense	208,179
Changes in operating assets and liabilities:	
(Increase) decrease in accounts receivable	(23,769)
(Decrease) increase in accounts payable	9,562
(Decrease) increase in accrued payroll	231
(Decrease) increase in due to other funds	(41,381)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u><u>\$ 14,831</u></u>

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

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Reporting Entity**

The Town of Jay 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 services, public safety, public works, transfer station, education, recreation and library, insurance and unclassified.

The Town's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The Town's combined financial statements include all accounts and all operations of the Town. We have determined that the Town has no component units as described in GASB Statement No. 14 and amended by GASB Statements No. 39 and No. 61.

**Implementation of New Accounting Standards**

During the year ended June 30, 2024, the following statement 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.

**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).

In the government-wide Statement of Net Position, 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.

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Both the government-wide and fund financial statements categorizes primary activities as either governmental or business-type. The Town's Sewer fund is categorized as a business-type activity. All other activities of the Town are categorized as governmental.

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.

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

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

1. Governmental Funds:

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

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Major Fund

- a. The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. The FEMA 23/24 Disaster Relief fund is a special revenue fund of the Town to account for FEMA/MEMA resources that are restricted for expenditures related to the 23/24 FEMA storms. The primary revenue source for this fund is intergovernmental revenue.

Nonmajor Funds

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

2. Proprietary Funds:

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

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

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

**Basis of Accounting**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

1. Accrual

Governmental activities in the government-wide financial statements and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual

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

**Budget**

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

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



TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

**Deposits and Investments**

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

It is the Town's policy to value investments at fair value. None of the Town's investments are reported at amortized cost. For the statement of cash flows purposes, 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:

- 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. The allowance for uncollectible amounts is estimated to be \$0 as of June 30, 2024. Accounts receivable netted with allowances for uncollectible accounts were \$1,861,487 for the year ended June 30, 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.

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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 asset retirements have been recorded by eliminating the net carrying values.

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

Estimated useful lives are as follows:

Land improvements	20 - 50 years
Buildings	20 - 50 years
Building improvements	20 - 50 years
Furniture and fixtures	5 - 20 years
Machinery and equipment	3 - 50 years
Vehicles	3 - 25 years
Infrastructure	50 - 100 years

**Long-term Obligations**

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

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

**Pension**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Participating Local District (PLD) Consolidated Plan and additions to/deductions from the PLD Consolidated Plan's fiduciary net position have been determined on the same basis as they are reported by the PLD Consolidated Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**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 position invested in 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

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

governments. Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or restricted net position.

**Fund Balance**

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

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

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

Committed - This includes amounts that can be used only for specific purposes determined by a formal action of the inhabitants of the Town. The inhabitants of the Town through Town meetings are the highest level of decision-making authority of the Town. 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 by the voters and 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.

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**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 two types of this item, deferred outflows related to pension and OPEB that qualify for reporting in this category. These items are reported in the statement of net position.

In addition to liabilities, the statement of financial position and or balance sheet will at times report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Deferred tax revenues, which arises only under a modified accrual basis of accounting, qualifies for reporting in this category. Accordingly, this item is reported in the governmental funds balance sheet. Prepaid taxes and deferred revenue also qualify for reporting in this category. These items are reported in both the statements of net position and governmental funds balance sheet. Deferred inflows related to pension and 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 22, 2023 on the assessed value listed as of April 1, 2023, for all real and personal property located in the Town. Taxes were due in two installments on October 2, 2023 and April 1, 2024. Interest on unpaid taxes commenced on October 3, 2023 and April 2, 2024, at 6% 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 \$109,697 for the year ended June 30, 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.

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**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).

**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

The Town's investment policies, which follow state statutes, require that all investments be made considering 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. However, the Town maintains deposits in qualifying financial institutions that are a member of the FDIC or NCUSIF as defined in Title 30-A, Section 5706 of the Maine Revised Statutes. At June 30, 2024, the Town's cash balances amounting to \$6,159,384 were comprised of

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

bank deposits of \$6,722,242. 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. All of these bank deposits were fully insured by federal depository insurance and consequently not exposed to custodial credit risk.

<u>Account Type</u>	<u>Bank Balance</u>
NOW checking accounts	\$ 60,644
Insured cash sweep accounts	<u>6,661,598</u>
	<u>\$ 6,722,242</u>

**Investments:**

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

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 \$249,653 are excluded from interest rate risk as these investments are considered held to maturity and are therefore not measured at fair value.

At June 30, 2024, the Town had investments of \$254,659 of certificates of deposit. Of this amount, \$250,000 was fully insured by federal depository insurance and consequently were not exposed to custodial credit risk. The remaining investment deposit of \$4,659 was uncollateralized and uninsured.

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. Generally, the Town invests excess funds in cash management accounts and various insured certificates of deposit.

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at June 30, 2024 consisted of the following individual fund receivables and payables:

	<u>Receivables</u> <u>(Due from)</u>	<u>Payables</u> <u>(Due to)</u>
General Fund	\$ 2,432,725	\$ 1,516,054
FEMA 23/24 Disaster Relief	-	1,599,492
Nonmajor Special Revenue Funds	1,516,054	83,552
Enterprise Fund	-	749,681
	<u>\$ 3,948,779</u>	<u>\$ 3,948,779</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 June 30, 2024 consisted of the following:

	<u>Transfers</u> <u>In</u>	<u>Transfers</u> <u>Out</u>
General Fund	\$ -	\$ 892,155
Enterprise Fund	301,955	-
Nonmajor Special Revenue Funds	594,944	4,744
	<u>\$ 896,899</u>	<u>\$ 896,899</u>

Interfund transfers are the results of legally authorized activity and are considered to be in the course of normal operations. Significant transfers that occurred were from the General Fund to the Enterprise Fund, highway department reserve and paving reserve.



TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 5 - CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended June 30, 2024:

	Balance, 7/1/23	Additions	Disposals	Balance, 6/30/24
<u>Governmental activities</u>				
Non-depreciated assets:				
Land	\$ 751,543	\$ -	\$ -	\$ 751,543
Construction in progress	127,854	-	-	127,854
	<u>879,397</u>	<u>-</u>	<u>-</u>	<u>879,397</u>
Depreciated assets:				
Land improvements	62,000	-	-	62,000
Buildings	3,017,204	6,965	-	3,024,169
Building improvements	599,474	63,800	-	663,274
Machinery and equipment	1,829,747	7,142	(5,977)	1,830,912
Vehicles	2,258,875	258,505	(240,243)	2,277,137
Infrastructure	10,771,651	5,828	-	10,777,479
	<u>18,538,951</u>	<u>342,240</u>	<u>(246,220)</u>	<u>18,634,971</u>
Less: accumulated depreciation	<u>(11,427,777)</u>	<u>(702,511)</u>	<u>153,283</u>	<u>(11,977,005)</u>
	<u>7,111,174</u>	<u>(360,271)</u>	<u>(92,937)</u>	<u>6,657,966</u>
Net capital assets	<u>\$ 7,990,571</u>	<u>\$ (360,271)</u>	<u>\$ (92,937)</u>	<u>\$ 7,537,363</u>
<u>Business-type activities</u>				
Non-depreciated assets:				
Land	\$ 27,435	\$ -	\$ -	\$ 27,435
Depreciated assets:				
Land improvements	64,000	-	-	64,000
Buildings	1,104,000	-	-	1,104,000
Building improvements	89,000	-	(39,000)	50,000
Machinery and equipment	206,908	-	-	206,908
Vehicles	54,328	14,833	-	69,161
Infrastructure	10,832,376	39,000	-	10,871,376
	<u>12,350,612</u>	<u>53,833</u>	<u>(39,000)</u>	<u>12,365,445</u>
Less: accumulated depreciation	<u>(6,434,402)</u>	<u>(208,179)</u>	<u>-</u>	<u>(6,642,581)</u>
	<u>5,916,210</u>	<u>(154,346)</u>	<u>(39,000)</u>	<u>5,722,864</u>
Net capital assets	<u>\$ 5,943,645</u>	<u>\$ (154,346)</u>	<u>\$ (39,000)</u>	<u>\$ 5,750,299</u>

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 5 - CAPITAL ASSETS (CONTINUED)

<u>Current year depreciation</u>	
Police	\$ 23,150
Fire	85,943
Highway	529,392
Recycling	17,402
Town-wide	45,827
Transfer station	<u>797</u>
Subtotal governmental depreciation	<u>702,511</u>
Sewer department	<u>208,179</u>
Subtotal business-type depreciation	<u>208,179</u>
Total depreciation expense	<u>\$ 910,690</u>

NOTE 6 - LONG-TERM RECEIVABLE

As of July 1, 2011, the Jay School Department became a member of Regional School Unit (RSU) No. 73. The RSU Plan requires that the RSU be responsible for payment of all school-related long-term debt on behalf of the Town. As of June 30, 2024, a long-term receivable has been recorded for \$102,666, which represents school-related general obligation bonds of \$102,666. The State of Maine Department of Education is responsible for paying approximately 87% of the debt service on general obligation bonds directly to the Maine Municipal Bond Bank. The remaining debt service for bonds is paid by the RSU.

NOTE 7 - LONG-TERM DEBT

The following is a summary of changes in the long-term debt for the year ended June 30, 2024:

	Balance, 7/1/23	Additions	Deletions	Balance, 6/30/24	Current Portion
Governmental activities:					
Bond payable	<u>\$ 153,999</u>	<u>\$ -</u>	<u>\$ (51,333)</u>	<u>\$ 102,666</u>	<u>\$ 51,333</u>
Business-type activities:					
Bonds payable	<u>\$1,785,328</u>	<u>\$ -</u>	<u>\$ (179,144)</u>	<u>\$1,606,184</u>	<u>\$ 179,144</u>

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 7 - LONG-TERM DEBT (CONTINUED)

The following is a summary of bonds outstanding as of June 30, 2024:

Governmental activities:

\$770,000, 2011 General Obligation Bond due in annual principal payments of \$51,333 and semiannual interest payments through November 2025. Interest is charged at a fixed rate ranging from 2.125% to 5.625% per annum. Debt payments made directly by RSU No. 73.

\$ 102,666

Total governmental activities

\$ 102,666

Business-type activities:

\$824,442, 2016 General Obligation Bond due in annual installments of \$102,805 and semiannual interest installments through September 2026. Interest is charged at a fixed rate of 1.00% per annum.

\$ 308,418

\$878,909, 2019 Clean Water State Revolving Fund Bond due in annual principal payments of \$43,945 through September 2040. Interest is charged at a fixed rate of 1.00% per annum.

747,073

\$1,647,875, with principal forgiveness of \$1,000,000 2019 Clean Water State Revolving Fund Bond due in annual installments of \$32,394 and semiannual interest installments through September 2040. Interest is charged at a fixed rate of 1.00%

550,693

Total business-type activities

\$ 1,606,184

The following is a summary of outstanding bond principal and interest requirements for the following fiscal years ending June 30:

	Governmental Activities		Business-type Activities		Total Debt Service
	Bonds Payable		Bonds Payable		
	Principal	Interest	Principal	Interest	
2025	\$ 51,333	\$ 1,637	\$ 179,144	\$ 18,810	\$ 250,924
2026	51,333	545	179,144	23,081	254,103
2027	-	-	179,147	26,396	205,543
2028	-	-	76,339	14,638	90,977
2029	-	-	76,339	13,836	90,175
2030-2034	-	-	381,696	57,159	438,855
2035-2039	-	-	381,696	37,120	418,816
2040-2044	-	-	152,679	9,237	161,916
	<u>\$ 102,666</u>	<u>\$ 2,182</u>	<u>\$ 1,606,184</u>	<u>\$ 200,277</u>	<u>\$ 1,911,309</u>

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 7 - LONG-TERM DEBT (CONTINUED)

No interest costs were capitalized during the period. The amount of interest costs incurred and charged to business-type activities expense for the year ended June 30, 2024 was \$0.

All bonds payable and notes from direct borrowings payable 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 levied on all taxable property within the Town.

NOTE 8 - OTHER LONG-TERM OBLIGATIONS

A summary of other long-term obligations for the year ended June 30, 2024 is as follows:

	Balance, 7/1/23	Additions	Deletions	Balance, 6/30/24	Current Portion
Accrued compensated absences	\$ 19,142	\$ 10,605	\$ -	\$ 29,747	\$ 10,411
Net pension liability	378,536	292,341	(212,816)	458,061	-
Net OPEB liability	52,517	24,271	(231)	76,557	-
	<u>\$ 450,195</u>	<u>\$ 327,217</u>	<u>\$ (213,047)</u>	<u>\$ 564,365</u>	<u>\$ 10,411</u>

Refer to Notes 9, 18 and 20 for more detailed information regarding other long-term obligations.

NOTE 9 - ACCRUED COMPENSATED ABSENCES

The Town's policies regarding paid time off does permit employees to accumulate limited earned but unused leave. The liability for these compensated absences is 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 June 30, 2024, the Town's liability for compensated absences is \$29,747.

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 10 - NET INVESTMENT IN CAPITAL ASSETS

The following is the calculation of the net investment in capital assets for the Town at June 30, 2024:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Investment in capital assets	\$ 19,514,368	\$ 12,392,880
Accumulated depreciation	(11,977,005)	(6,642,581)
Outstanding capital related debt	(102,666)	(1,606,184)
	<u>\$ 7,434,697</u>	<u>\$ 4,144,115</u>

NOTE 11 - RESTRICTED NET POSITION

At June 30, 2024, the Town had the following amounts restricted in net position:

Nonmajor Special Revenue Funds (Schedule E):	
Wellness works	\$ 1,693
Taylor made	3,560
Tower fund	159,702
Jay community development	34,175
Cemetery	33,400
Police grants	12,980
Veteran's memorial fund	2,613
Nonmajor Permanent Funds (Schedule G):	
Poland Sullivan - nonspendable	17,500
Poland Sullivan - restricted	2,171
	<u>\$ 267,794</u>

NOTE 12 - NONSPENDABLE FUND BALANCE

The Town has the following nonspendable fund balance at June 30, 2024:

General Fund:	
Prepaid items	\$ 12,206
Nonmajor Permanent Funds (Schedule G)	17,500
	<u>\$ 29,706</u>

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 13 - RESTRICTED FUND BALANCES

The Town has the following restricted fund balances at June 30, 2024:

Nonmajor Special Revenue Funds (Schedule E)	\$ 248,123
Nonmajor Permanent Funds (Schedule G)	<u>2,171</u>
	<u>\$ 250,294</u>

NOTE 14 - COMMITTED FUND BALANCES

The Town has the following committed fund balances at June 30, 2024:

General Fund:	
FY 25 budget	\$ 313,000
Nonmajor Special Revenue Funds (Schedule E)	<u>2,478,833</u>
	<u>\$ 2,791,833</u>

NOTE 15 - ASSIGNED FUND BALANCES

The Town has the following assigned fund balances at June 30, 2024:

Nonmajor Special Revenue Funds (See Schedule E)	<u>\$ 24,329</u>
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NOTE 16 - DEFICIT FUND BALANCES

The Town has the following deficit fund balances at June 30, 2024:

FEMA 23/24 Disaster Relief	\$ 190,293
Tax increment financing	<u>6,168</u>
	<u>\$ 196,461</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 participates in a public entity risk pool sponsored by the Maine Municipal Association. The Maine Municipal Association Group Risk Pool is a state-chartered pool established exclusively for Maine municipalities. The pool provides certain property, liability, fidelity and vehicle coverage. If the assets of the pool are at any time actuarially determined to be insufficient to enable the pool to discharge its legal obligations, other obligations and actuarially sound reserves, the pool has the power to make up the deficiency by the levy of a prorated assessment. There have been no deficiencies during the past three years and management believes that no deficiency exists at June 30, 2024.

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 17 - RISK MANAGEMENT (CONTINUED)

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

The Town is also a member of the Maine Municipal Association - Worker Compensation Trust Fund ("Fund"). The Fund was created to formulate, develop and administer a program of modified self-funding for the Fund's membership, obtain lower costs for worker's compensation coverage and develop a comprehensive loss control program. The Town pays an annual premium to the fund for its worker's compensation coverage. The Town's agreement with the Fund provides that the fund will be self-sustaining through member premiums and will provide, through commercial companies' reinsurance contracts, coverage for claims in excess of \$1,000,000.

NOTE 18 - DEFINED BENEFIT PENSION PLAN

MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM

PARTICIPATING LOCAL DISTRICT CONSOLIDATED PLAN

**Plan Description**

Town employees contribute to the Maine Public Employees Retirement System (MainePERS), a cost-sharing multiple-employer defined benefit pension plan established by the Maine State Legislature. Title 5 of the Maine Revised Statutes Annotated assigns the authority to establish and amend benefit provisions to the Participating Local District (PLD) Consolidated Plan's advisory group, which reviews the terms of the plan and periodically makes recommendations to the Legislature to amend the terms. The Maine Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the Consolidated Plan. That report may be obtained online at [www.maineopers.org](http://www.maineopers.org) or by contacting the System at (207) 512-3100.

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 18 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

**Benefits Provided**

The Maine Public Employees Retirement System provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. The System's retirement programs provide defined retirement benefits based on members' average final compensation and service credit earned as of retirement. Vesting (i.e., eligibility for benefits upon reaching qualification) occurs upon the earning of five years of service credit (effective October 1, 1999, the prior ten-year requirement was reduced by legislative action to five years for employees of PLDs). In some cases, vesting occurs on the earning of one year of service credit immediately preceding retirement at or after normal retirement age. For PLD members, normal retirement age is 60 or 65. The monthly benefit of members who retire before normal retirement age by virtue of having at least 25 years of service credit is reduced by a statutorily prescribed factor for each year of age that a member is below her/his normal retirement age at retirement. The System also provides disability and death benefits which are established by contract with other PLD employers under applicable statutory provisions. As of June 30, 2023, there were 327 employers in the plan.

Upon termination of membership, members' accumulated employee contributions are refundable with interest, credited in accordance with statute. Withdrawal of accumulated contributions results in forfeiture of all benefits and membership rights. The annual rate of interest credited to members' accounts is set by the System's Board of Trustees and is currently 3.88%.

**Contributions**

Retirement benefits are funded by contributions from members and employers and by earnings on investments. Disability and death benefits are funded by employer normal cost contributions and by investment earnings. The Town's 2C plan members are required to contribute 8.40% of their annual covered salary and the Town's AC plan members are also required to contribute 7.70% or 6.95% of their annual salary. The Town is required to contribute at an actuarially determined rate. The current rate is 11.60% for the 2C plan and 10.20% for the AC plan of covered payroll. The contribution rates of plan members and the Town are established and may be amended by the Maine Public Employee Retirement Systems advisory group. The Town's contribution to the MainePERS PLD Consolidated Plan for the year ended June 30, 2024 was \$144,033.



TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 18 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

**Pension Liabilities**

*PLD Consolidated Plan*

At June 30, 2024, the Town reported a liability of \$458,061 for its proportionate share of the net pension liabilities for the plan. The net pension liabilities were measured as of June 30, 2023 and the total pension liabilities used to calculate the net pension liabilities was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liabilities were based on a projection of the Town's long-term share of contributions to each pension plan relative to the projected contributions of all PLDs, actuarially determined. At June 30, 2023, the Town's proportion was 0.14355%, which was an increase of 0.00116% from its proportion measured as of June 30, 2022.

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended June 30, 2024, the Town recognized total pension expense of \$65,575 for the PLD plan. At June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	PLD Plan	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 85,039	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	77,730
Changes in proportion and differences between contributions and proportionate share of contributions	13,633	-
Contributions subsequent to the measurement date	<u>144,033</u>	<u>-</u>
Total	<u>\$ 242,705</u>	<u>\$ 77,730</u>

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 18 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

\$144,033 reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	PLD Plan
Plan year ended June 30:	
2024	\$ 6,941
2025	(68,452)
2026	78,840
2027	3,613
2028	-
Thereafter	-

**Actuarial Methods and Assumptions**

The respective collective total pension liability for the plans was determined by an actuarial valuation as of June 30, 2023, using the following methods and assumptions applied to all periods included in the measurement:

*Actuarial Cost Method*

The Entry Age Normal cost method is used to determine costs. Under this cost method, the total employer contribution rate consists of two elements: the normal cost rate and the unfunded actuarial liability (UAL) rate.

The individual entry age normal method is used to determine liabilities/(assets). Under the individual entry age normal method, a normal cost rate is calculated for each employee. This rate is determined by taking the value, as of age at entry into the plan, of the member's projected future benefits and dividing it by the value, also as of the member's entry age and the member's expected future salary. The normal cost for each member is the product of the member's pay and their normal cost rate. The normal cost for the group is the sum of the normal costs for all members.

Experience gains and losses, i.e., decreases or increases in liabilities and/or in assets when actual experience differs from the actuarial assumptions, affect the unfunded actuarial accrued liability.

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 18 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

*Asset Valuation Method*

The actuarial valuation employs a technique for determining the actuarial value of assets which reduces the impact of short-term volatility dampens the swing in the market value. The specific technique adopted in this valuation recognizes in a given year one-third of the investment return that is different from the actuarial assumption for investment return.

*Amortization*

The net pension liability of the PLD Consolidated Plan is amortized on a level percentage of payroll using a method where a separate twenty-year closed period is established annually for the gain or loss for that year.

Significant actuarial assumptions employed by the actuary for funding purposes as of June 30, 2023 are as follows:

*Investment Rate of Return* - 6.50% per annum for the years ended June 30, 2023 and 2022, compounded annually.

*Salary Increases, Merit and Inflation* - 2.75% to 11.48% per year

*Mortality Rates* - For the plan, the rates are based on the 2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table, for males and females, projected generationally using the RPEC\_2021 model.

*Cost of Living Benefit Increases* - 1.91%

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major class of assets. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as June 30, 2023 are summarized in the following table.

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 18 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Asset Class	PLD Plan	
	Target Allocation	Long-term Expected Real Rate of Return
Public equities	30.0%	6.0%
US Government	7.5%	2.6%
Private equity	15.0%	7.6%
Real assets:		
Real estate	10.0%	5.2%
Infrastructure	10.0%	5.3%
Natural resources	5.0%	5.0%
Traditional credit	7.5%	3.2%
Alternative credit	5.0%	7.4%
Diversifiers	10.0%	5.0%

*Discount Rate*

The discount rate used to measure the collective total pension liability was 6.50% for 2023 for the Plan. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and non-employer entity contributions will be made at contractually required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following table shows how the collective net pension liability as of June 30, 2023 would change if the discount rate used was one percentage point lower or one percentage point higher than the current rate. The current rate is 6.50% for the Plan.

	1% Decrease	Discount Rate	1% Increase
PLD Plan:			
Discount rate	5.50%	6.50%	7.50%
Town's proportionate share of the net pension liability	\$ 1,255,120	\$ 458,061	\$ (199,448)

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 18 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

**Changes in Net Pension Liability**

Each employer's share of the collective net pension liability is equal to the collective net pension liability multiplied by the employer's proportionate share as of June 30, 2023 as shown in the schedules of employer and non-employer contributing entity allocations. Changes in net pension liability are recognized in pension expense for the year ended June 30, 2023 with the following exceptions.

*Differences between Expected and Actual Experience*

The difference between expected and actual experience with regard to economic or demographic factors is recognized in pension 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 pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. For 2023 through 2020, this was three years for the PLD Consolidated Plan. For 2019, this was four years for the PLD Consolidated Plan. For 2018 and 2017, this was three years; prior to 2017, this was four years for the PLD Consolidated Plan.

*Differences between Expected and Actual Investment Earnings*

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

*Changes in Assumptions*

Differences due to changes in assumptions about future economic or demographic factors or other inputs are recognized in pension 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 for the year ended June 30, 2023 valuation were based on the results of an actuarial experience study for the period of July 1, 2015 through June 30, 2020. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. Please refer to the *Actuarial Methods and Assumptions* section for information relating to the use of assumptions.

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 18 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

*Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions*

Differences resulting from a change in proportionate share of contributions and differences between total employer contributions and the employer's proportionate share of contributions are recognized in pension 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 pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. Differences between total employer contributions and the employer's proportionate share of contributions may arise when an employer has a contribution requirement for an employer specific liability.

**Pension Plan Fiduciary Net Position**

Additional financial and actuarial information with respect to the Plan can be found in the MainePERS' 2023 Annual Comprehensive Financial Report available online at [www.maineopers.org](http://www.maineopers.org) or by contacting the System at (207) 512-3100

NOTE 19 - DEFERRED COMPENSATION PLAN

MISSIONSQUARE RETIREMENT

**Plan Description**

The Town contributes to a deferred compensation plan created in accordance with Internal Revenue Service Code Section 457 through the MissionSquare Retirement. The plan, available to Town employees as part of a collective bargaining agreement, Town management and professional level employees, permits them 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 unforeseen 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 (until paid or made available to the employee or other beneficiary) to be held in a trust for the exclusive benefit of the participants and their beneficiaries.

It is the opinion of the Town's management that the Town has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor.

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 19 - DEFERRED COMPENSATION PLANS (CONTINUED)

**Funding Policy**

The contribution requirements of plan members and the Town are established and may be amended by the Town's Selectboard. The Town will contribute 1% of annual salary for professional level employees that participate in the Town's defined benefit plan. For professional employees that choose to participate in the 457 plan alone, the Town will contribute an amount equal to the required employer contribution for the defined benefit plan plus 1.00%. For the Town's office workers, highway and police department employees that choose not to join the Town's defined benefit plan, the Town will contribute an amount up to 5.3% of their annual salary.

The Town's contributions and employee contributions to the plan for 2024, 2023, 2022 and 2021 were \$15,423, \$34,830, \$65,943 and \$70,947, respectively. These amounts include loans.

MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM - 457 DEFERRED  
COMPENSATION PLAN

**Plan Description**

The Town contributes to a deferred compensation plan created in accordance with Internal Revenue Service Code Section 457 through the Maine Public Employees Retirement System (MainePERS). The plan, available to Town employees as part of a collective bargaining agreement, Town management and professional level employees, permits them 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 unforeseen 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 (until paid or made available to the employee or other beneficiary) to be held in a trust for the exclusive benefit of the participants and their beneficiaries.

It is the opinion of the Town's management that the Town has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor.

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 19 - DEFERRED COMPENSATION PLANS (CONTINUED)

**Funding Policy**

The contribution requirements of plan members and the Town are established and may be amended by the Town's Selectboard. The Town will contribute 1% of annual salary for professional level employees that participate in the Town's defined benefit plan. For professional employees that choose to participate in the 457 plan alone, the Town will contribute an amount equal to the required employer contribution for the defined benefit plan plus 1.00%. For the Town's office workers, highway and police department employees that choose not to join the Town's defined benefit plan, the Town will contribute an amount up to 5.3% of their annual salary. The employee's and the Town's matching contribution vests 100% with the employee when contributed.

The Town's contributions to the plan including employee contributions for 2024, 2023, 2022 and 2021 were \$3,602, \$7,980, \$1,079 and \$2,405, respectively.

NOTE 20 - 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 criterion of paragraph 4 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.



TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 20 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

**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	5
Retirees and spouses	<u>0</u>
Total	<u><u>5</u></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. 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>
PPO 500	\$1,144	\$2,567
<b>Medicare</b>		
Medicare-Eligible Retirees	\$659	\$1,319

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 20 - 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 June 30, 2024, the Town reported a liability of \$76,557 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 June 30, 2024, the Town recognized OPEB expense of \$40,009. At June 30, 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	\$ 3,041	\$ 9,739
Changes of assumptions	19,592	5,646
Net difference between projected and actual earnings on OPEB plan investments	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	588	-
Total	<u>\$ 23,221</u>	<u>\$ 15,385</u>

\$588 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 June 30, 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:

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 20 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

	<u>MMEHT</u>	
Plan year ended December 31:		
2025	\$	1,877
2026		1,206
2027		577
2028		577
2029		577
Thereafter		2,434

**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 June 30, 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:

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
	2.26%	3.26%	4.26%
Total OPEB liability	\$ 90,429	\$ 76,557	\$ 65,181
Plan fiduciary net position	-	-	-
Net OPEB liability	<u>\$ 90,429</u>	<u>\$ 76,557</u>	<u>\$ 65,181</u>

Plan fiduciary net position as a percentage of the total OPEB liability

0.00%	0.00%	0.00%
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**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:

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 20 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

	1% Decrease	Healthcare Trend Rates	1% Increase
Total OPEB liability	\$ 64,101	\$ 76,557	\$ 92,380
Plan fiduciary net position	-	-	-
Net OPEB liability	<u>\$ 64,101</u>	<u>\$ 76,557</u>	<u>\$ 92,380</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:

*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, 2022. 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.

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 20 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

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 2032+	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

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.

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 20 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

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.

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\_2020 model are those included in the published MP-2020 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, 2022.

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, 2022.

Retiree Continuation Percentage:

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

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 20 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

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

**Changes in Net OPEB Liability**

Changes in net OPEB liability are recognized in OPEB expense for the year ended June 30, 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 (\$6,698).

*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 340 Main Street, Jay, Maine 04239.

TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 21 - LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

The Town of Jay’s landfill is at 100% capacity as of 2019. Therefore, the estimated remaining landfill life is zero years. Federal and state laws require that certain post closure care be met. The Town estimates that on an annual basis, some immaterial costs will be incurred for post closure care. The annual amount will be paid for within the Town’s annual operating budget.

NOTE 22 - OVERSPENT APPROPRIATIONS

The Town overspent the following appropriations at June 30, 2024:

Insurance	\$ 23,521
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NOTE 23 - CONTINGENCIES AND COMMITMENTS

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

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

The Town contracts with Archie’s Inc. for curbside pick-up of garbage and recyclables. The current contract was valid beginning July of 2021 through June of 2026. The annual payments under this contract were \$145,600 per year for the first two years, with a 2% increase each year for the remaining contract years. For the year ended June 30, 2024 the Town paid \$148,512 for disposal services.

NOTE 24 - OVERLAPPING DEBT

The Town is responsible for its proportionate share of County and School District debt. As of June 30, 2024, the Town’s share was as follows:

	Outstanding Debt	Town's Percentage	Total Share
RSU No. 73	\$ 5,870,195	49.23%	\$ 2,889,897
Franklin County	186,016	7.57%	14,082
			\$ 2,903,979



TOWN OF JAY, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

NOTE 25 - RELATED PARTIES

For the year ended June 30, 2024, the Town paid Selectman Thomas Goding (Thomas Goding Contracting) a total amount of \$16,250. The payments were for various projects.

NOTE 26 - RESTATEMENTS

During fiscal year 2024, the Town determined error corrections for correcting ARPA revenue from fund balance to deferred revenue, the Pixelle PP tax abatement, presentation of certain special revenue funds and corrections to accounts receivable and various liability accounts which resulted in adjustments to and restatements of beginning net position and fund net position, as follows:

	<u>6/30/2023 As Previously Reported</u>	<u>Net Position/ Fund Balance Corrections</u>	<u>6/30/2023 As Restated</u>
Government-Wide			
Governmental Activities	<u>\$ 17,553,817</u>	<u>\$ (460,333)</u>	<u>\$ 17,093,484</u>
Governmental Funds			
Major Funds:			
General Fund	\$ 7,041,458	\$ (337,668)	\$ 6,703,790
Other Governmental Funds	2,659,250	(122,665)	2,536,585
Total Governmental Funds	<u>\$ 9,700,708</u>	<u>\$ (460,333)</u>	<u>\$ 9,240,375</u>

## 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 Proportionate Share of the Net Pension Liability
- Schedule of Contributions - Pension
- 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 JAY, MAINE

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
 BUDGET AND ACTUAL - GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1, Restated	\$ 6,703,790	\$ 6,703,790	\$ 6,703,790	\$ -
Resources (Inflows):				
Property taxes	6,391,751	6,391,751	6,364,620	(27,131)
Excise taxes	805,000	805,000	968,430	163,430
Intergovernmental	1,866,552	2,238,160	2,374,758	136,598
Charges for services	49,500	168,563	177,563	9,000
Miscellaneous revenues	49,000	280,120	360,887	80,767
Amounts Available for Appropriation	15,865,593	16,587,384	16,950,048	362,664
Charges to Appropriations (Outflows):				
General government	546,525	546,525	530,708	15,817
Public safety	1,499,765	1,695,966	1,647,878	48,088
Public works	1,881,897	2,372,712	1,994,503	378,209
Recreation and library	194,055	194,055	194,055	-
Education	4,545,786	4,545,786	4,545,786	-
County tax	709,523	709,523	709,523	-
Insurance	142,500	145,350	168,871	(23,521)
Unclassified	267,897	299,822	183,787	116,035
Transfer to other funds	892,155	892,155	892,155	-
Total Charges to Appropriations	10,680,103	11,401,894	10,867,266	534,628
Budgetary Fund Balance, June 30	\$ 5,185,490	\$ 5,185,490	\$ 6,082,782	\$ 897,292
Utilization of unassigned fund balance	\$ 1,500,000	\$ 1,500,000	\$ -	\$ (1,500,000)

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

TOWN OF JAY, MAINE

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
LAST 10 FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<u>PLD Plan:</u>										
Proportion of the net pension liability/(asset)	0.14%	0.14%	0.13%	0.12%	0.14%	0.17%	0.19%	0.20%	0.19%	0.21%
Proportionate share of the net pension liability/(asset)	\$ 458,061	\$ 378,536	\$ (41,784)	\$ 485,862	\$ 415,644	\$ 459,305	\$ 778,094	\$ 1,059,229	\$ 619,168	\$ 328,347
Covered payroll	1,205,561	1,074,725	830,262	768,247	809,695	952,392	1,041,529	1,050,106	1,976,829	1,021,441
Proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	38.00%	35.22%	-5.03%	63.24%	51.33%	48.23%	74.71%	100.87%	31.32%	32.15%
Plan fiduciary net position as a percentage of the total pension liability/(asset)	92.34%	93.26%	100.86%	88.35%	90.62%	91.14%	86.43%	81.61%	88.30%	94.10%

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

TOWN OF JAY, MAINE

SCHEDULE OF CONTRIBUTIONS - PENSION  
LAST 10 FISCAL YEARS

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>PLD Plan:</u>										
Contractually required contribution	\$ 144,033	\$ 130,601	\$ 112,294	\$ 86,642	\$ 78,992	\$ 82,711	\$ 93,165	\$ 97,404	\$ 93,459	\$ 135,840
Contributions in relation to the contractually required contribution	<u>(144,033)</u>	<u>(130,601)</u>	<u>(112,294)</u>	<u>(86,642)</u>	<u>(78,992)</u>	<u>(82,711)</u>	<u>(93,165)</u>	<u>(97,404)</u>	<u>(93,459)</u>	<u>(135,840)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 1,391,386	\$ 1,205,561	\$ 1,074,725	\$ 830,262	\$ 768,247	\$ 809,695	\$ 952,392	\$ 1,041,529	\$ 1,050,106	\$ 1,976,829
Contributions as a percentage of covered payroll	10.35%	10.83%	10.45%	10.44%	10.28%	10.22%	9.78%	9.35%	8.90%	6.87%

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

TOWN OF JAY, MAINE

SCHEDULE OF CHANGES IN NET OPEB LIABILITY  
FOR THE YEAR ENDED JUNE 30, 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)	\$ 52,517	\$ -	\$ 52,517
Changes for the year:			
Service cost	982	-	982
Interest	1,986	-	1,986
Changes of benefits	-	-	-
Differences between expected and actual experience	3,476	-	3,476
Changes of assumptions	17,827	-	17,827
Contributions - employer	-	231	(231)
Contributions - member	-	-	-
Net investment income	-	-	-
Benefit payments	(231)	(231)	-
Administrative expense	-	-	-
Net changes	<u>24,040</u>	<u>-</u>	<u>24,040</u>
Balances at 1/1/24 (Reporting December 31, 2024)	<u>\$ 76,557</u>	<u>\$ -</u>	<u>\$ 76,557</u>

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

## TOWN OF JAY, 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)	\$ 982	\$ 1,447	\$ 1,342	\$ 1,104	\$ 717	\$ 846	\$ 3,696
Interest (includes interest on service cost)	1,986	1,210	1,461	1,777	2,562	2,373	9,284
Changes of benefit terms	-	-	-	-	(1,376)	-	-
Differences between expected and actual experience	3,476	-	(13,100)	-	(6,057)	-	(173,055)
Changes of assumptions	17,827	(7,258)	1,585	3,774	10,073	(4,619)	(5,711)
Benefit payments, including refunds of member contributions	(231)	(321)	(2,876)	(2,765)	(5,070)	(4,875)	(11,049)
Net change in total OPEB liability	\$ 24,040	\$ (4,922)	\$ (11,588)	\$ 3,890	\$ 849	\$ (6,275)	\$ (176,835)
Total OPEB liability - beginning	\$ 52,517	\$ 57,439	\$ 69,027	\$ 65,137	\$ 64,288	\$ 70,563	\$ 247,398
Total OPEB liability - ending	\$ 76,557	\$ 52,517	\$ 57,439	\$ 69,027	\$ 65,137	\$ 64,288	\$ 70,563
<u>Plan fiduciary net position</u>							
Contributions - employer	231	321	2,876	2,765	5,070	4,875	11,049
Contributions - member	-	-	-	-	-	-	-
Net investment income	-	-	-	-	-	-	-
Benefit payments, including refunds of member contributions	(231)	(321)	(2,876)	(2,765)	(5,070)	(4,875)	(11,049)
Administrative expense	-	-	-	-	-	-	-
Net change in fiduciary net position	-	-	-	-	-	-	-
Plan fiduciary net position - beginning	\$ 52,517	\$ 57,439	\$ 69,027	\$ 65,137	\$ 64,288	\$ 70,563	\$ 247,398
Plan fiduciary net position - ending	\$ 76,557	\$ 52,517	\$ 57,439	\$ 69,027	\$ 65,137	\$ 64,288	\$ 70,563
Net OPEB liability - ending	\$ 76,557	\$ 52,517	\$ 57,439	\$ 69,027	\$ 65,137	\$ 64,288	\$ 70,563
Plan fiduciary net position as a percentage of the total OPEB liability	-	-	-	-	-	-	-
Covered payroll	\$ 371,956	\$ 275,242	\$ 275,242	\$ 229,988	\$ 229,988	\$ 229,988	\$ 229,988
Net OPEB liability as a percentage of covered payroll	20.6%	19.1%	20.9%	30.0%	28.3%	28.0%	30.7%

\* 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 JAY, MAINE

SCHEDULE OF CONTRIBUTIONS - OPEB  
LAST 10 FISCAL YEARS\*

	2024	2023	2022	2021	2020	2019	2018
<u>MMEHT:</u>							
Employer contributions	\$ 231	\$ 321	\$ 2,876	\$ 2,765	\$ 5,070	\$ 4,875	\$ 11,049
Benefit payments	(231)	(321)	(2,876)	(2,765)	(5,070)	(4,875)	(11,049)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 371,956	\$ 275,242	\$ 275,242	\$ 229,988	\$ 229,988	\$ 229,988	\$ 229,988
Contributions as a percentage of covered payroll	0.06%	0.12%	1.04%	1.20%	2.20%	2.12%	2.12%

\* 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 JAY, MAINE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2024

**Changes of Assumptions**

MEPERS PLD Plan:

There were no changes of assumptions.

Maine Municipal Health Trust:

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

## Other Supplementary Information

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

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

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
 BUDGET AND ACTUAL - GENERAL FUND REVENUES  
 FOR THE YEAR ENDED JUNE 30, 2024

	Original Budget	Final Budget	Actual Amounts	Variance Positive (Negative)
Revenues (Inflows):				
Taxes:				
Property taxes	\$ 6,391,751	\$ 6,391,751	\$ 6,364,620	\$ (27,131)
Auto excise	801,500	801,500	965,002	163,502
Boat excise	3,500	3,500	3,428	(72)
Intergovernmental revenues:				
State revenue sharing	1,100,001	1,100,001	1,230,001	130,000
Homestead reimbursement	557,199	557,199	557,199	-
Tree growth	9,500	9,500	15,527	6,027
BETE reimbursement	196,352	196,352	196,425	73
General assistance	-	7,234	7,234	-
Veteran's/other reimbursement	3,500	11,941	12,439	498
FEMA/MEMA	-	355,933	355,933	-
Charges for services:				
Solid waste fees	17,000	17,000	19,929	2,929
MDEA agent	-	119,063	119,063	-
Administration fees	18,000	18,000	23,588	5,588
Building rent	10,000	10,000	10,000	-
Police	500	500	444	(56)
Fire revenue	-	-	115	115
Other	4,000	4,000	4,424	424
Miscellaneous revenues:				
Tax lien interest	12,000	12,000	11,794	(206)
Investment interest	30,000	30,000	60,680	30,680
Lien fees	7,000	7,000	5,565	(1,435)
Sale of fixed assets	-	-	485	485
Other	-	231,120	282,363	51,243
Amounts Available for Appropriation	<u>\$ 9,161,803</u>	<u>\$ 9,883,594</u>	<u>\$ 10,246,258</u>	<u>\$ 362,664</u>

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

TOWN OF JAY, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
General government:					
Administration	\$ 533,000	\$ -	\$ 533,000	\$ 519,208	\$ 13,792
Town boards	760	-	760	237	523
Selectboard	12,765	-	12,765	11,263	1,502
	<u>546,525</u>	<u>-</u>	<u>546,525</u>	<u>530,708</u>	<u>15,817</u>
Public safety:					
Police department	817,626	191,158	1,008,784	1,008,623	161
Fire department	260,639	5,043	265,682	240,862	24,820
Ambulance	49,000	-	49,000	48,897	103
Hydrants/water	372,500	-	372,500	349,496	23,004
	<u>1,499,765</u>	<u>196,201</u>	<u>1,695,966</u>	<u>1,647,878</u>	<u>48,088</u>
Public works:					
Road/building maintenance	1,733,385	490,815	2,224,200	1,845,991	378,209
Curbside pickup	148,512	-	148,512	148,512	-
	<u>1,881,897</u>	<u>490,815</u>	<u>2,372,712</u>	<u>1,994,503</u>	<u>378,209</u>
Recreation and library:					
Library	194,055	-	194,055	194,055	-
	<u>194,055</u>	<u>-</u>	<u>194,055</u>	<u>194,055</u>	<u>-</u>
Education	4,545,786	-	4,545,786	4,545,786	-
County tax	709,523	-	709,523	709,523	-
Insurance	142,500	2,850	145,350	168,871	(23,521)

TOWN OF JAY, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
Unclassified:					
Industrial revaluation	19,000	-	19,000	18,950	50
Audit	13,500	-	13,500	11,570	1,930
Assessing	45,440	-	45,440	46,009	(569)
AVCOG	8,800	-	8,800	8,795	5
MMA	5,400	-	5,400	5,468	(68)
Plumbing inspect.	10,225	-	10,225	9,989	236
Animal welfare	11,600	-	11,600	11,155	445
Donations	675	-	675	675	-
Andy Valley	-	8,441	8,441	8,441	-
General assistance	3,000	7,234	10,234	11,013	(779)
Grave care	500	-	500	500	-
Overlay	109,697	-	109,697	20,651	89,046
Hail Storm 2022 repair	-	16,250	16,250	16,250	-
Tax acquired	-	-	-	485	(485)
Legal fees	40,000	-	40,000	13,776	26,224
General expenses	60	-	60	60	-
	<u>267,897</u>	<u>31,925</u>	<u>299,822</u>	<u>183,787</u>	<u>116,035</u>
Transfers:					
Admin reserve	5,000	-	5,000	5,000	-
Police reserve	23,000	-	23,000	23,000	-
Highway department reserve	100,000	-	100,000	100,000	-
SRO reserve	2,000	-	2,000	2,000	-
Paving reserve	325,000	-	325,000	325,000	-
Fire dept. reserve	70,000	-	70,000	70,000	-
PW building reserve	20,000	-	20,000	20,000	-
Police training reserve	15,200	-	15,200	15,200	-
Town revaluation	20,000	-	20,000	20,000	-
Public works contracted	10,000	-	10,000	10,000	-
Enterprise funds	301,955	-	301,955	301,955	-
	<u>892,155</u>	<u>-</u>	<u>892,155</u>	<u>892,155</u>	<u>-</u>
Total Departmental Operations	<u>\$ 10,680,103</u>	<u>\$ 721,791</u>	<u>\$ 11,401,894</u>	<u>\$ 10,867,266</u>	<u>\$ 534,628</u>

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

## TOWN OF JAY, MAINE

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2024

	Special Revenue Funds	Permanent Funds	Total Nonmajor Governmental Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,173,272	\$ -	\$ 1,173,272
Investments	234,988	19,671	254,659
Due from other funds	1,516,054	-	1,516,054
<b>TOTAL ASSETS</b>	<u>\$ 2,924,314</u>	<u>\$ 19,671</u>	<u>\$ 2,943,985</u>
<b>LIABILITIES</b>			
Due to other funds	\$ 83,552	\$ -	\$ 83,552
<b>TOTAL LIABILITIES</b>	<u>83,552</u>	<u>-</u>	<u>83,552</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred revenue	95,645	-	95,645
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>95,645</u>	<u>-</u>	<u>95,645</u>
<b>FUND BALANCES</b>			
Nonspendable	-	17,500	17,500
Restricted	248,123	2,171	250,294
Committed	2,478,833	-	2,478,833
Assigned	24,329	-	24,329
Unassigned (deficit)	(6,168)	-	(6,168)
<b>TOTAL FUND BALANCES</b>	<u>2,745,117</u>	<u>19,671</u>	<u>2,764,788</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>\$ 2,924,314</u>	<u>\$ 19,671</u>	<u>\$ 2,943,985</u>

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

TOWN OF JAY, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2024

	Special Revenue Funds	Permanent Funds	Total Nonmajor Governmental Funds
REVENUES			
Intergovernmental	\$ 162,837	\$ -	\$ 162,837
Interest income	15,413	688	16,101
Other	50,422	-	50,422
TOTAL REVENUES	<u>228,672</u>	<u>688</u>	<u>229,360</u>
EXPENDITURES			
Current:			
General government	28,347	-	28,347
Public safety	9,912	-	9,912
Other	394,714	-	394,714
Capital Outlay	158,384	-	158,384
TOTAL EXPENDITURES	<u>591,357</u>	<u>-</u>	<u>591,357</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(362,685)</u>	<u>688</u>	<u>(361,997)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	594,944	-	594,944
Transfers (out)	(4,744)	-	(4,744)
TOTAL OTHER FINANCING SOURCES (USES)	<u>590,200</u>	<u>-</u>	<u>590,200</u>
NET CHANGE IN FUND BALANCES	<u>227,515</u>	<u>688</u>	<u>228,203</u>
FUND BALANCES - JULY 1, AS PREVIOUSLY REPORTED	2,640,267	18,983	2,659,250
FUND BALANCE CORRECTIONS	<u>(122,665)</u>	<u>-</u>	<u>(122,665)</u>
FUND BALANCES - JULY 1, RESTATED	<u>2,517,602</u>	<u>18,983</u>	<u>2,536,585</u>
FUND BALANCES - JUNE 30	<u>\$ 2,745,117</u>	<u>\$ 19,671</u>	<u>\$ 2,764,788</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 JAY, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2024

	Highway Department Reserve	Police Reserve	Wellness Works	Police Training	Public Works Fuel Reserve	Tax Increment Financing	Marijuana Fees	Taylor Made
<b>ASSETS</b>								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	58,747	-	-	-	-	-	-	-
Due from other funds	244,456	71,276	1,693	55,813	24,129	-	200	3,560
<b>TOTAL ASSETS</b>	<b>\$ 303,203</b>	<b>\$ 71,276</b>	<b>\$ 1,693</b>	<b>\$ 55,813</b>	<b>\$ 24,129</b>	<b>\$ -</b>	<b>\$ 200</b>	<b>\$ 3,560</b>
<b>LIABILITIES</b>								
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,168	\$ -	\$ -
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,168</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Deferred revenue	-	-	-	-	-	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES (DEFICITS)</b>								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	1,693	-	-	-	-	3,560
Committed	303,203	71,276	-	55,813	-	-	-	-
Assigned	-	-	-	-	24,129	-	200	-
Unassigned	-	-	-	-	-	(6,168)	-	-
<b>TOTAL FUND BALANCES (DEFICITS)</b>	<b>303,203</b>	<b>71,276</b>	<b>1,693</b>	<b>55,813</b>	<b>24,129</b>	<b>(6,168)</b>	<b>200</b>	<b>3,560</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 303,203</b>	<b>\$ 71,276</b>	<b>\$ 1,693</b>	<b>\$ 55,813</b>	<b>\$ 24,129</b>	<b>\$ -</b>	<b>\$ 200</b>	<b>\$ 3,560</b>

TOWN OF JAY, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2024

	Garbage Bags	Environmental Reserve	Tower Fund	Jay Community Development	Moved to Major Fund FEMA 23 Disaster Relief	Cemetery	Paving Reserve	Sewer Treatment Plant
<b>ASSETS</b>								
Cash and cash equivalents	\$ -	\$ 729,386	\$ -	\$ 34,175	\$ -	\$ -	\$ -	\$ 409,711
Investments	-	-	-	-	-	-	-	58,747
Due from other funds	10,280	-	159,702	-	-	33,400	152,974	-
<b>TOTAL ASSETS</b>	<b>\$ 10,280</b>	<b>\$ 729,386</b>	<b>\$ 159,702</b>	<b>\$ 34,175</b>	<b>\$ -</b>	<b>\$ 33,400</b>	<b>\$ 152,974</b>	<b>\$ 468,458</b>
<b>LIABILITIES</b>								
Due to other funds	\$ -	\$ 49,376	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,008
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>49,376</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28,008</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Deferred revenue	\$ -	-	-	-	-	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES (DEFICITS)</b>								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	159,702	34,175	-	33,400	-	-
Committed	10,280	680,010	-	-	-	-	152,974	440,450
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
<b>TOTAL FUND BALANCES (DEFICITS)</b>	<b>10,280</b>	<b>680,010</b>	<b>159,702</b>	<b>34,175</b>	<b>-</b>	<b>33,400</b>	<b>152,974</b>	<b>440,450</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 10,280</b>	<b>\$ 729,386</b>	<b>\$ 159,702</b>	<b>\$ 34,175</b>	<b>\$ -</b>	<b>\$ 33,400</b>	<b>\$ 152,974</b>	<b>\$ 468,458</b>

TOWN OF JAY, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2024

	Public Works Contracted Services	Fire Department Reserve	Admin Reserve	Grants	Veterans Memorial Fund	Fire Cost Recovery	Sled - in Fest
<b>ASSETS</b>							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	58,747	58,747	-	-	-	-
Due from other funds	55,375	144,451	32,424	12,980	2,613	13,157	6,351
<b>TOTAL ASSETS</b>	<b>\$ 55,375</b>	<b>\$ 203,198</b>	<b>\$ 91,171</b>	<b>\$ 12,980</b>	<b>\$ 2,613</b>	<b>\$ 13,157</b>	<b>\$ 6,351</b>
<b>LIABILITIES</b>							
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Deferred revenue	\$ -	-	-	-	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES (DEFICITS)</b>							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	12,980	2,613	-	-
Committed	55,375	203,198	91,171	-	-	13,157	6,351
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
<b>TOTAL FUND BALANCES (DEFICITS)</b>	<b>55,375</b>	<b>203,198</b>	<b>91,171</b>	<b>12,980</b>	<b>2,613</b>	<b>13,157</b>	<b>6,351</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 55,375</b>	<b>\$ 203,198</b>	<b>\$ 91,171</b>	<b>\$ 12,980</b>	<b>\$ 2,613</b>	<b>\$ 13,157</b>	<b>\$ 6,351</b>

TOWN OF JAY, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2024

	Music in the Park	Highway Building Reserve	Jay Gazebo	Town Revaluation	Asset Forfeiture	ARPA Grant	Police SRO	Maine Trails Coalition Grant	Total
<b>ASSETS</b>									
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,173,272
Investments	-	-	-	-	-	-	-	-	234,988
Due from other funds	4,174	132,208	52	244,144	4,970	95,645	10,027	-	1,516,054
<b>TOTAL ASSETS</b>	<b>\$ 4,174</b>	<b>\$ 132,208</b>	<b>\$ 52</b>	<b>\$ 244,144</b>	<b>\$ 4,970</b>	<b>\$ 95,645</b>	<b>\$ 10,027</b>	<b>\$ -</b>	<b>\$ 2,924,314</b>
<b>LIABILITIES</b>									
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 83,552
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>83,552</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>									
Deferred revenue	-	-	-	-	-	95,645	-	-	95,645
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>95,645</b>	<b>-</b>	<b>-</b>	<b>95,645</b>
<b>FUND BALANCES (DEFICITS)</b>									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	248,123
Committed	4,174	132,208	52	244,144	4,970	-	10,027	-	2,478,833
Assigned	-	-	-	-	-	-	-	-	24,329
Unassigned	-	-	-	-	-	-	-	-	(6,168)
<b>TOTAL FUND BALANCES (DEFICITS)</b>	<b>4,174</b>	<b>132,208</b>	<b>52</b>	<b>244,144</b>	<b>4,970</b>	<b>-</b>	<b>10,027</b>	<b>-</b>	<b>2,745,117</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 4,174</b>	<b>\$ 132,208</b>	<b>\$ 52</b>	<b>\$ 244,144</b>	<b>\$ 4,970</b>	<b>\$ 95,645</b>	<b>\$ 10,027</b>	<b>\$ -</b>	<b>\$ 2,924,314</b>

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

TOWN OF JAY, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR YEAR ENDED JUNE 30, 2024

	Highway Department Reserve	Police Reserve	Wellness Works	Police Training	Public Works Fuel Reserve	Tax Increment Financing	Marijuana Fees	Taylor Made
REVENUES								
Intergovernmental	\$ 13,914	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest income	1,247	-	-	-	-	-	-	-
Other	-	1,083	-	-	4,339	-	-	-
TOTAL REVENUES	<u>15,161</u>	<u>1,083</u>	<u>-</u>	<u>-</u>	<u>4,339</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Other	-	-	-	8,000	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>15,161</u>	<u>1,083</u>	<u>-</u>	<u>(8,000)</u>	<u>4,339</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)								
Transfers in	100,000	23,000	-	15,200	-	-	-	-
Transfers (out)	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>100,000</u>	<u>23,000</u>	<u>-</u>	<u>15,200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	<u>115,161</u>	<u>24,083</u>	<u>-</u>	<u>7,200</u>	<u>4,339</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS) - JULY 1, AS PREVIOUSLY REPORTED	188,042	47,193	1,693	48,613	19,790	(6,168)	200	3,560
FUND BALANCE CORRECTIONS	-	-	-	-	-	-	-	-
FUND BALANCES (DEFICITS) - JULY 1, RESTATED	<u>188,042</u>	<u>47,193</u>	<u>1,693</u>	<u>48,613</u>	<u>19,790</u>	<u>(6,168)</u>	<u>200</u>	<u>3,560</u>
FUND BALANCES (DEFICITS) - JUNE 30	<u>\$ 303,203</u>	<u>\$ 71,276</u>	<u>\$ 1,693</u>	<u>\$ 55,813</u>	<u>\$ 24,129</u>	<u>\$ (6,168)</u>	<u>\$ 200</u>	<u>\$ 3,560</u>

TOWN OF JAY, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR YEAR ENDED JUNE 30, 2024

	Garbage Bags	Enviro- mental Reserve	Tower Fund	Jay Community Develop.	Moved to Major Fund FEMA 23 Disaster Relief	Cemetery	Paving Reserve	Sewer Treatment Plant
REVENUES								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 98,136	\$ 23,767
Interest income	-	6,094	-	570	-	-	-	6,255
Other	31	156	14,993	-	-	1,275	-	-
TOTAL REVENUES	31	6,250	14,993	570	-	1,275	98,136	30,022
EXPENDITURES								
Current:								
General government	-	25,358	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Other	-	-	34,600	-	-	200	335,991	8,472
Capital Outlay	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	-	25,358	34,600	-	-	200	335,991	8,472
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	31	(19,108)	(19,607)	570	-	1,075	(237,855)	21,550
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	325,000	-
Transfers (out)	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-	325,000	-
NET CHANGE IN FUND BALANCES (DEFICITS)	31	(19,108)	(19,607)	570	-	1,075	87,145	21,550
FUND BALANCES (DEFICITS) - JULY 1, AS PREVIOUSLY REPORTED	10,249	699,118	179,309	33,605	-	32,325	65,829	418,900
FUND BALANCE CORRECTIONS	-	-	-	-	-	-	-	-
FUND BALANCES (DEFICITS) - JUNE 30, RESTATED	10,249	699,118	179,309	33,605	-	32,325	65,829	418,900
FUND BALANCES (DEFICITS) - JUNE 30	\$ 10,280	\$ 680,010	\$ 159,702	\$ 34,175	\$ -	\$ 33,400	\$ 152,974	\$ 440,450

TOWN OF JAY, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR YEAR ENDED JUNE 30, 2024

	Public Works Contracted Services	Fire Department Reserve	Admin Reserve	Grants	Veterans Memorial Fund	Fire Cost Recovery	Sled - in Fest
REVENUES							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest income	-	1,247	-	-	-	-	-
Other	-	-	5,031	16,056	-	4,654	1,531
TOTAL REVENUES	-	1,247	5,031	16,056	-	4,654	1,531
EXPENDITURES							
Current:							
General government	-	-	2,989	-	-	-	-
Public safety	-	-	-	9,912	-	-	-
Public works	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	489
Capital Outlay	-	87,192	-	50,000	-	-	-
TOTAL EXPENDITURES	-	87,192	2,989	59,912	-	-	489
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(85,945)	2,042	(43,856)	-	4,654	1,042
OTHER FINANCING SOURCES (USES)							
Transfers in	10,000	70,000	5,000	4,744	-	-	-
Transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	10,000	70,000	5,000	4,744	-	-	-
NET CHANGE IN FUND BALANCES (DEFICITS)	10,000	(15,945)	7,042	(39,112)	-	4,654	1,042
FUND BALANCES (DEFICITS) - JULY 1, AS PREVIOUSLY REPORTED	45,375	219,143	84,129	52,092	2,613	8,503	5,309
FUND BALANCE CORRECTIONS	-	-	-	-	-	-	-
FUND BALANCES (DEFICITS) - JUNE 30, RESTATED	45,375	219,143	84,129	52,092	2,613	8,503	5,309
FUND BALANCES (DEFICITS) - JUNE 30	\$ 55,375	\$ 203,198	\$ 91,171	\$ 12,980	\$ 2,613	\$ 13,157	\$ 6,351

TOWN OF JAY, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR YEAR ENDED JUNE 30, 2024

	Music in the Park	Highway Building Reserve	Jay Gazebo	Town Revaluation	Asset Forfeiture	ARPA Grant	Police SRO	Maine Trails Coalition Grant	Total
REVENUES									
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,020	\$ -	\$ -	\$ 162,837
Interest income	-	-	-	-	-	-	-	-	15,413
Other	1,273	-	-	-	-	-	-	-	50,422
TOTAL REVENUES	1,273	-	-	-	-	27,020	-	-	228,672
EXPENDITURES									
Current:									
General government	-	-	-	-	-	-	-	-	28,347
Public safety	-	-	-	-	-	-	-	-	9,912
Public works	-	-	-	-	-	-	-	-	-
Other	1,000	-	134	-	-	5,828	-	-	394,714
Capital Outlay	-	-	-	-	-	21,192	-	-	158,384
TOTAL EXPENDITURES	1,000	-	134	-	-	27,020	-	-	591,357
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	273	-	(134)	-	-	-	-	-	(362,685)
OTHER FINANCING SOURCES (USES)									
Transfers in	-	20,000	-	20,000	-	-	2,000	-	594,944
Transfers (out)	-	-	-	-	-	-	-	(4,744)	(4,744)
TOTAL OTHER FINANCING SOURCES (USES)	-	20,000	-	20,000	-	-	2,000	(4,744)	590,200
NET CHANGE IN FUND BALANCES (DEFICITS)	273	20,000	(134)	20,000	-	-	2,000	(4,744)	227,515
FUND BALANCES (DEFICITS) - JULY 1, AS PREVIOUSLY REPORTED	3,901	112,208	186	224,144	4,970	122,665	8,027	4,744	2,640,267
FUND BALANCE CORRECTIONS	-	-	-	-	-	(122,665)	-	-	(122,665)
FUND BALANCES (DEFICITS) - JUNE 30, RESTATED	3,901	112,208	186	224,144	4,970	-	8,027	4,744	2,517,602
FUND BALANCES (DEFICITS) - JUNE 30	\$ 4,174	\$ 132,208	\$ 52	\$ 244,144	\$ 4,970	\$ -	\$ 10,027	\$ -	\$ 2,745,117

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



## Permanent Funds

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

TOWN OF JAY, MAINE

COMBINING BALANCE SHEET - NONMAJOR PERMANENT FUNDS  
 JUNE 30, 2024

	Poland Sullivan Fund	Total
	<u>          </u>	<u>          </u>
ASSETS		
Investments	\$ 19,671	\$ 19,671
TOTAL ASSETS	<u>\$ 19,671</u>	<u>\$ 19,671</u>
LIABILITIES		
Due to other funds	\$ -	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>-</u>
FUND BALANCES		
Nonspendable	17,500	17,500
Restricted	2,171	2,171
Committed	-	-
Assigned	-	-
Unassigned	-	-
TOTAL FUND BALANCES	<u>19,671</u>	<u>19,671</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 19,671</u>	<u>\$ 19,671</u>

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

## TOWN OF JAY, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - NONMAJOR PERMANENT FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2024

	Poland Sullivan Fund	Total
	<u>        </u>	<u>        </u>
REVENUES		
Interest income	\$    688	\$    688
TOTAL REVENUES	<u>        688</u>	<u>        688</u>
EXPENDITURES		
Other	<u>        -</u>	<u>        -</u>
TOTAL EXPENDITURES	<u>        -</u>	<u>        -</u>
NET CHANGE IN FUND BALANCES	688	688
FUND BALANCES - JULY 1	<u>18,983</u>	<u>18,983</u>
FUND BALANCES - JUNE 30	<u>\$ 19,671</u>	<u>\$ 19,671</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 JAY, MAINE

SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION  
JUNE 30, 2024

	Land and Non-depreciable Assets	Buildings, Building Improvements and Land Improvements	Furniture, Fixtures, Equipment and Vehicles	Infrastructure	Total
Police	\$ -	\$ -	\$ 184,613	\$ 19,427	\$ 204,040
Fire	24,215	670,704	1,464,317	-	2,159,236
Highway	142,854	810,151	1,928,016	10,758,052	13,639,073
Recycling	48,500	940,910	424,593	-	1,414,003
Recreation	-	-	8,346	-	8,346
Town-wide	663,828	1,311,731	50,026	-	2,025,585
Transfer station	-	15,947	48,138	-	64,085
Sewer department	27,435	1,218,000	276,069	10,871,376	12,392,880
Total General Capital Assets	906,832	4,967,443	4,384,118	21,648,855	31,907,248
Less: Accumulated Depreciation	-	(3,519,378)	(3,020,411)	(12,079,797)	(18,619,586)
Net General Capital Assets	<u>\$ 906,832</u>	<u>\$ 1,448,065</u>	<u>\$ 1,363,707</u>	<u>\$ 9,569,058</u>	<u>\$ 13,287,662</u>

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

## TOWN OF JAY, MAINE

SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS BY FUNCTION  
FOR THE YEAR ENDED JUNE 30, 2024

	General Capital Assets 7/1/23	Additions	Deletions	General Capital Assets 6/30/24
Police	\$ 204,189	\$ 5,828	\$ (5,977)	\$ 204,040
Fire	2,072,044	87,192	-	2,159,236
Highway	13,708,003	171,313	(240,243)	13,639,073
Recycling	1,414,003	-	-	1,414,003
Recreation	8,346	-	-	8,346
Town-wide	1,947,678	77,907	-	2,025,585
Transfer station	64,085	-	-	64,085
Sewer department	12,378,047	14,833	-	12,392,880
Total General Capital Assets	31,796,395	357,073	(246,220)	31,907,248
Less: Accumulated Depreciation	(17,862,179)	(910,690)	153,283	(18,619,586)
Net General Capital Assets	<u>\$ 13,934,216</u>	<u>\$ (553,617)</u>	<u>\$ (92,937)</u>	<u>\$ 13,287,662</u>

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



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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 Jay  
Jay, 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 Jay, Maine as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the Town of Jay, Maine's basic financial statements and have issued our report thereon dated March 5, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Jay, Maine's internal control over financial reporting (internal control) as a basis for designing 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 Jay, Maine's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Jay, 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.

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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 Jay, 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 Jay, Maine in a separate letter dated March 5, 2025.

#### 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  
March 5, 2025