

TOWN OF NEWCASTLE
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JUNE 30, 2020

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INDEPENDENT AUDITORS' REPORT

Board of Selectmen
Town of Newcastle
Newcastle, Maine

We have audited the accompanying financial statements of the governmental activities and each major fund of the Town of Newcastle, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Town of Newcastle as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Newcastle's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Bath, Maine

June 29, 2021

**REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

(UNAUDITED)

The following management's discussion and analysis of the Town of Newcastle, Maine's financial performance provides an overview of the Town's financial activities for the year ended June 30, 2020. Please read it in conjunction with the Town's financial statements.

Financial Statement Overview

The Town of Newcastle Maine's basic financial statements include the following components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also includes required supplementary information which consists of the general fund budgetary comparison schedule and other supplementary information which includes combining and other schedules.

Basic Financial Statements

The basic financial statements include financial information in two differing views: the government-wide financial statements and the fund financial statements. These basic financial statements also include the notes to financial statements that explain in more detail certain information in the financial statements and also provide the user with the accounting policies used in the preparation of the financial statements.

Government-Wide Financial Statements

The government-wide financial statements provide a broad view of the Town's operations in a manner that is similar to private businesses. These statements provide both short-term as well as long-term information in regards to the Town's financial position. These financial statements are prepared using the accrual basis of accounting. This measurement focus takes into account all revenues and expenses associated with the fiscal year regardless of when cash is received or paid. The government-wide financial statements include the following two statements:

The Statement of Net Position - this statement presents all of the government's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference being reported as net position.

The Statement of Activities - this statement presents information that shows how the government's net position changed during the period. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows.

Both of the above-mentioned financial statements have one column for the Town's one type of activity. The type of activity presented for the Town of Newcastle, Maine is:

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

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 Newcastle, Maine, like other local governments uses fund accounting to ensure and demonstrate compliance with financial related legal requirements. All of the funds of the Town of Newcastle, Maine are categorized as governmental funds.

Governmental funds: All 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 Newcastle, Maine 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 the education fund. All other funds are shown as nonmajor and are combined in the "Other Governmental Funds" column on these statements.

The general fund and the education fund are the only funds for which the Town legally adopted a budget. The Education Fund provides a comparison of the original and final budget and the actual expenditures for the current year.

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.

Required Supplementary Information

The basic financial statements are followed by a section of required supplementary information, which includes a Budgetary Comparison Schedule - General Fund.

Other Supplementary Information

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

Government-Wide Financial Analysis

Our analysis below focuses on the net position and changes in net position of the Town's governmental activities. The Town's total net position increased by \$581,760.80 from \$5,273,041.70.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenant's enabling legislation or other legal requirements - increased to a balance of \$2,040,554.94.

Table 1
Town of Newcastle, Maine
Net Position June 30, 2020

Assets:	
Current Assets	\$ 4,772,546.35
Noncurrent Assets	3,660,296.52
Total Assets	<u>\$ 8,432,842.87</u>
Liabilities:	
Current Liabilities	\$ 366,448.52
Noncurrent Liabilities	2,129,925.05
Total Liabilities	<u>\$ 2,496,373.57</u>
Deferred Inflows of Resources:	
Prepaid Taxes	\$ 81,666.80
Total Deferred Inflows of Resources	<u>\$ 81,666.80</u>
Net Position:	
Net Investment in Capital Assets	\$ 1,507,745.40
Restricted:	
Assigned	2,128,361.41
Permanent Funds	178,140.75
Unassigned	2,040,554.94
Total Net Position	<u>\$ 5,854,802.50</u>

Revenues and Expenses

Revenues for the Town's governmental activities decreased by .71% while total expenses decreased by 2.72%. The decrease in revenues was primarily due to excise taxes. The decrease in expenses was primarily due to education.

Table 2
Town of Newcastle, Maine
Change in Net Position
For the Year Ended June 30, 2020

Revenues:

<i>Program Revenues:</i>	
Charges for Services	\$ 42,512.35
Operating Grants and Contributions	261,241.25
<i>General Revenues:</i>	
Property Taxes	4,631,027.22
Excise Taxes	366,030.68
Grants and Contributions not Restricted to Specific Programs	244,797.31
Miscellaneous	67,821.98
Total Revenues	<u>\$ 5,613,430.79</u>

Expenses:

General Government	\$ 488,304.00
Public Safety	315,642.37
Special Assessment	387,121.19
Public Works	692,432.89
Education	3,056,087.54
Interest on Long-Term Debt	27,083.04
Unclassified	64,998.96
Total Expenses	<u>\$ 5,031,669.99</u>
Change in Net Position	<u>\$ 581,760.80</u>
Net Position - July 1	<u>3,273,041.70</u>
Net Position - June 30	<u>\$ 3,854,802.50</u>

Financial Analysis of the Town's Fund Statements

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

Table 3
Town of Newcastle, Maine
Fund Balances - Governmental Funds
June 30, 2020

Major Funds:	
General Fund:	
Nonspendable	\$ 18,323.41
Assigned	43,676.50
Unassigned	1,869,351.81
Education Fund:	
Restricted	281,329.34
Total Major Funds	\$ 2,212,681.06
 Nonmajor Funds:	
Special Revenue Funds:	
Assigned	\$ 14,547.31
Capital Project Funds:	
Assigned	1,758,118.31
Permanent Funds:	
Nonspendable - Principal	110,038.00
Restricted	80,469.29
Total Nonmajor Funds	\$ 1,963,172.91

The general fund total fund balance increased by \$203,537.72 from the prior fiscal period due to revenues exceeding expenditures and transfers to other funds. The education fund total fund balance increased by \$73,749.34 from the prior fiscal year, primarily due to transfers from other funds. The nonmajor funds total fund balance increased by \$1,505,359.91 from the prior fiscal period, primarily due to transfers from other funds.

Budgetary Highlights

The significant difference between the original and final budget for the general fund was due to the calculation for education appropriation and the use of certain applied receipts.

The general fund actual revenues exceeded budgeted amounts by \$331,930.97. All revenue categories were within or in excess of budgeted amounts with the exception of protection and excise taxes.

The general fund actual expenditures were over budgeted amounts by \$7,060.28. All expenditure categories were within or under budgeted amounts with the exception of education.

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

The education fund actual revenues exceeded budgeted amounts.

Capital Asset and Long-Term Debt Administration

Capital Assets

As of June 30, 2020, the net book value of capital assets recorded by the Town increased by \$886,818.17. This was due to the current year additions of \$990,026.08 less depreciation expense of \$103,207.91.

Table 4
Town of Newcastle, Maine
Capital Assets (Net of Depreciation)
June 30, 2020

Land and Improvements	\$ 131,165.00
Buildings and Improvements	451,472.84
Equipment and Vehicles	371,420.49
Infrastructure	2,706,238.19
Total	<u>\$ 3,660,296.52</u>

Debt

At June 30, 2020, the Town had notes from direct borrowings payable outstanding in the amount of \$2,151,081.01; versus \$171,650.96 in the prior year. Refer to Note L of Notes to Financial Statements.

Currently Known Facts, Decisions or Conditions

Economic Factors and Next Year's Budgets and Rates

The Town's unassigned fund balance is at a level sufficient to sustain government operations for a period of approximately three months and the Town also maintains reserves for future operations, capital and program needs.

To further promote and ensure the financial well-being and fiscal stability of the Town, Newcastle adopted a Fund Balance Policy in October of 2008. The Town's management designed the policy around maintaining an appropriate level of Unassigned Fund Balance with the intent to reduce the need for borrowing, protect and enhance the Town's Bond Rating and to provide the funds necessary to meet the Town's near-term operating obligations. The policy requires that a surplus minimum be maintained equal to 1/12th or 8% of the Town's General Fund Budget, but not to exceed 15%. At June 30, 2020, the Town maintained balances above the maximum level. The policy also includes a provision for the suggested utilization of excess funds on additional capital improvement needs and tax rate stabilization or reduction purposes.

Contacting the Town's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, 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 Office at 4 Pump Street, P.O. Box 386, Newcastle, Maine 04553-0386.

TOWN OF NEWCASTLE
STATEMENT OF NET POSITION
FOR THE YEAR ENDED JUNE 30, 2020

ASSETS

CURRENT ASSETS:

Cash (Note B)	\$ 3,768,295.95
Accounts Receivable (Note C)	47,082.09
Prepaid Expenses	7,657.00
Taxes Receivable	334,696.07
Tax Liens	72,269.85
Tax Acquired Property	18,953.49
Investments	197,124.16
Due From Other Funds	326,467.74

Total Current Assets	\$ 4,772,546.35
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PROPERTY, PLANT, AND EQUIPMENT (NOTE D):

Land and Improvements	\$ 131,165.00
Buildings and Improvements	841,609.32
Equipment and Vehicles	829,668.64
Infrastructure	4,738,503.76

Total Property, Plant, and Equipment	\$ 6,540,946.72
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Less: Accumulated Depreciation	(2,880,650.20)
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Net Property, Plant, and Equipment	\$ 3,660,296.52
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Total Assets	\$ 8,432,842.87
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LIABILITIES, DEFERRED INFLOWS, AND NET POSITION

CURRENT LIABILITIES:

Bonds Payable - Current Portion (Notes L and M)	\$ 22,626.07
Accounts Payable	25,418.79
Payroll Liabilities	(419.19)
Accrued Compensated Absences	27,319.65
Due To Other Funds	291,503.20

Total Current Liabilities	\$ 366,448.52
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LONG-TERM LIABILITIES:

Bond Payable - Net of Current Portion (Notes L and M)	2,129,925.05
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Total Liabilities	\$ 2,496,373.57
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DEFERRED INFLOWS OF RESOURCES:

Deferred Revenue (Note K)	\$ 81,666.80
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NET POSITION:

Net Invested in Capital Assets	\$ 1,507,745.40
Restricted for:	
Nonspendable Trust Principal	128,361.41
Trust Fund Purposes	80,469.29
Capital Projects	2,000,000.00
Assigned	97,671.46
Unrestricted	2,040,554.94

Total Net Position	\$ 5,854,802.50
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Total Liabilities, Deferred Inflows, and Net Position	\$ 8,432,842.87
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TOWN OF NEWCASTLE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION TOTAL
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
Primary Government:				
Governmental Activities:				
General Government	\$ 488,304.00	\$ 42,512.35	\$ -	\$ (445,791.65)
Debt	27,083.04			(27,083.04)
Public Works	692,432.89		39,260.00	(653,172.89)
Education	3,056,087.54		217,602.44	(2,838,485.10)
Special Assessment	387,121.19			(387,121.19)
Protection	315,642.37			(315,642.37)
Unclassified	64,998.96		4,378.81	(60,620.15)
Total Primary Government	<u>\$ 5,031,669.99</u>	<u>\$ 42,512.35</u>	<u>\$ 261,241.25</u>	<u>\$ (4,727,916.39)</u>
		General Revenues:		
		Taxes:		
		Property Taxes		\$ 4,631,027.22
		Excise Taxes		366,030.68
		Intergovernmental		244,797.31
		Interest and Investment Earnings		67,821.98
		Total General Revenues		<u>\$ 5,309,677.19</u>
		Change in Net Position		<u>\$ 581,760.80</u>
		Net Position, July 1, 2019		<u>5,273,041.70</u>
		Net Position, June 30, 2020		<u><u>\$ 5,854,802.50</u></u>

TOWN OF NEWCASTLE
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

GOVERNMENTAL FUND BALANCES:

Restricted for:

Nonspendable Trust Principal	\$ 128,361.41
Trust Fund Purposes	80,469.29
Capital Projects (Schedule B-11)	1,758,118.31
Other Purposes (Schedule B-3)	325,005.84
Other Assigned	14,547.31
Unrestricted (Schedule B-2)	1,869,351.81

Total Governmental Fund Balances (Exhibit E)	<u>\$ 4,175,853.97</u>
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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.	3,660,296.52
Property taxes not collected within 60 days after year end are deferred as revenue in the fund financial statements. In the government-wide financial statements the revenue is income in the year assessed.	198,522.78
Compensated absences are accrued when earned, not when paid and are reported in the funds.	(27,319.65)
Notes payable are not due and payable in the current period and therefore are not reported in the funds.	(2,152,551.12)
Net Position of Governmental Activities (Exhibit A)	<u><u>\$ 5,854,802.50</u></u>

TOWN OF NEWCASTLE
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2020

Net Change in Fund Balances - Total Governmental Funds (Exhibit F)	\$ 1,744,217.21
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeds depreciation (depreciation exceeds capital outlays).	886,818.17
Property taxes are deferred in the fund financial statements, but in the government-wide financial statements they are recorded as income in the year they are assessed.	(74,931.18)
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. This is the amount of principal payments on the loans.	(2,000,000.00)
The change in accrual for compensated absences is not recorded in the governmental fund statements.	5,086.65
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces liabilities in the Statement of Net Position.	20,569.95
Change in Net Position of Governmental Activities (Exhibit B)	\$ 581,760.80

TOWN OF NEWCASTLE
BALANCE SHEET - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	GENERAL	CAPITAL RESERVES	OLD DUMP	CEMETERIES	HARBOR	TOTAL
ASSETS:						
Cash	\$ 1,763,983.78	\$ 2,000,000.00	\$ -	\$ 1,511.49	\$ 2,800.68	\$ 3,768,295.95
Accounts Receivable	47,082.09					47,082.09
Prepaid Expenses	7,657.00					7,657.00
Taxes Receivable	334,696.07					334,696.07
Tax Liens	72,269.85					72,269.85
Tax Acquired Property	18,953.49					18,953.49
Investments		20,699.22		176,424.94		197,124.16
Due From Other Funds	301,468.91			12,570.86	12,427.97	326,467.74
Total Assets	\$ 2,546,111.19	\$ 2,020,699.22	\$ -	\$ 190,507.29	\$ 15,228.65	\$ 4,772,546.35
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES:						
Liabilities:						
Accounts Payable	\$ 25,418.79	\$ -	\$ -	\$ -	\$ -	\$ 25,418.79
Payroll Liabilities	(419.19)					(419.19)
Due To Other Funds	28,240.95	262,580.91	681.34			291,503.20
Total Liabilities	\$ 53,240.55	\$ 262,580.91	\$ 681.34	\$ -	\$ -	\$ 316,502.80
Deferred Inflows:						
Deferred Tax Revenue	\$ 29,572.22	\$ -	\$ -	\$ -	\$ -	\$ 29,572.22
Deferred Revenue	250,617.36					250,617.36
Total Deferred Inflows	\$ 280,189.58	\$ -	\$ -	\$ -	\$ -	\$ 280,189.58
Fund Balances:						
Nonspendable	\$ 18,323.41	\$ -	\$ -	\$ 110,038.00	\$ -	\$ 128,361.41
Trust Fund Purposes				80,469.29		80,469.29
Assigned	325,005.84	1,758,118.31	(681.34)		15,228.65	2,097,671.46
Unassigned	1,869,351.81					1,869,351.81
Total Fund Balances	\$ 2,212,681.06	\$ 1,758,118.31	\$ (681.34)	\$ 190,507.29	\$ 15,228.65	\$ 4,175,853.97
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 2,546,111.19	\$ 2,020,699.22	\$ -	\$ 190,507.29	\$ 15,228.65	\$ 4,772,546.35

TOWN OF NEWCASTLE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	GENERAL	CAPITAL RESERVES	OLD DUMP	CEMETERIES	HARBOR	TOTAL
REVENUES:						
Property Taxes	\$ 4,705,958.40	\$ -	\$ -	\$ -	\$ -	\$ 4,705,958.40
Excise Taxes	366,030.68					366,030.68
Education	217,602.44					217,602.44
General Government	42,512.35					42,512.35
Intergovernmental	244,797.31					244,797.31
Public Works	39,260.00					39,260.00
Interest	79,423.57	2,096.26		(13,700.31)	2.46	67,821.98
Unclassified		850.00	54.81	504.00	2,970.00	4,378.81
Total Revenues	\$ 5,695,584.75	\$ 2,946.26	\$ 54.81	\$ (13,196.31)	\$ 2,972.46	\$ 5,688,361.97
EXPENDITURES:						
Education	\$ 3,056,087.54	\$ -	\$ -	\$ -	\$ -	\$ 3,056,087.54
General Government	489,640.78					489,640.78
Protection	307,522.52					307,522.52
Public Works	571,812.99	1,040,124.32				1,611,937.31
Debt	27,083.04					27,083.04
Special Assessment	387,121.19					387,121.19
Unclassified	61,696.00		2,000.00		1,056.38	64,752.38
Total Expenditures	\$ 4,900,964.06	\$ 1,040,124.32	\$ 2,000.00	\$ -	\$ 1,056.38	\$ 5,944,144.76
Excess of Revenues Over (Under) Expenditures	\$ 794,620.69	\$ (1,037,178.06)	\$ (1,945.19)	\$ (13,196.31)	\$ 1,916.08	\$ (255,782.79)
OTHER FINANCING SOURCES (USES):						
Proceeds From Issuance of Loan	\$ -	\$ 2,000,000.00	\$ -	\$ -	\$ -	\$ 2,000,000.00
Operating Transfers - In		554,750.00				554,750.00
Operating Transfers - Out	(554,750.00)					(554,750.00)
Total Other Financing Sources (Uses)	\$ (554,750.00)	\$ 2,554,750.00	\$ -	\$ -	\$ -	\$ 2,000,000.00
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ 239,870.69	\$ 1,517,571.94	\$ (1,945.19)	\$ (13,196.31)	\$ 1,916.08	\$ 1,744,217.21
Fund Balance, July 1, 2019	1,972,810.37	240,546.37	1,263.85	203,703.60	13,312.57	2,431,636.76
Fund Balance, June 30, 2020	\$ 2,212,681.06	\$ 1,758,118.31	\$ (681.34)	\$ 190,507.29	\$ 15,228.65	\$ 4,175,853.97

TOWN OF NEWCASTLE
STATEMENT OF FIDUCIARY NET POSITION - NONSPENDABLE TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	C&M HATCH	SHEEPSCOT CEMETERY	GLIDDEN ST. CEMETERY	PINE KNOLL CEMETERY	WHITEHOUSE CEMETERY	HUSSEY CEMETERY	WORTHY POOR	CEMETERY TRUST	TOTAL
ASSETS:									
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,290.99	\$ 1,511.49	\$ 33,802.48
Investments	3,187.94	52,878.09	27,093.91	45,465.02	735.21	3,318.95	11,454.93		144,134.05
Due from Other Funds		3,125.99	9,673.70	154.46	70.65				13,024.80
Total Assets	\$ 3,187.94	\$ 56,004.08	\$ 36,767.61	\$ 45,619.48	\$ 805.86	\$ 3,318.95	\$ 43,745.92	\$ 1,511.49	\$ 190,961.33
LIABILITIES:									
Due to Other Funds	\$ 153.54	\$ -	\$ -	\$ -	\$ -	\$ 271.78	\$ 28.72	\$ -	\$ 454.04
FUND BALANCES:									
Nonspendable	\$ 2,000.54	\$ 25,951.46	\$ 22,623.69	\$ 33,873.22	\$ 553.80	\$ 2,500.00	\$ 23,038.99	\$ -	\$ 110,541.70
Restricted	1,033.86	30,052.62	14,143.92	11,746.26	252.06	547.17	20,678.21	1,511.49	79,965.59
Total Fund Balances	\$ 3,034.40	\$ 56,004.08	\$ 36,767.61	\$ 45,619.48	\$ 805.86	\$ 3,047.17	\$ 43,717.20	\$ 1,511.49	\$ 190,507.29
Total Liabilities and Fund Balances	\$ 3,187.94	\$ 56,004.08	\$ 36,767.61	\$ 45,619.48	\$ 805.86	\$ 3,318.95	\$ 43,745.92	\$ 1,511.49	\$ 190,961.33

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
NONSPENDABLE TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	C&M HATCH	SHEEPSCOT CEMETERY	GLIDDEN ST. CEMETERY	PINE KNOLL CEMETERY	WHITEHOUSE CEMETERY	HUSSEY CEMETERY	WORTHY POOR	CEMETERY TRUST	TOTAL
REVENUES:									
Investment Income, Net of Unrealized									
Gains/Losses	\$ (247.59)	\$ (4,106.64)	\$ (2,104.18)	\$ (3,530.95)	\$ (57.07)	\$ (257.76)	\$ (3,397.44)	\$ 1.32	\$ (13,700.31)
Other		504.00							504.00
Total Revenues	\$ (247.59)	\$ (3,602.64)	\$ (2,104.18)	\$ (3,530.95)	\$ (57.07)	\$ (257.76)	\$ (3,397.44)	\$ 1.32	\$ (13,196.31)
EXPENDITURES									
Net Change in Fund Balances	\$ (247.59)	\$ (3,602.64)	\$ (2,104.18)	\$ (3,530.95)	\$ (57.07)	\$ (257.76)	\$ (3,397.44)	\$ 1.32	\$ (13,196.31)
Net Position, July 1, 2019	3,281.99	59,606.72	38,871.79	49,150.43	862.93	3,304.93	47,114.64	1,510.17	203,703.60
Net Position, June 30, 2020	\$ 3,034.40	\$ 56,004.08	\$ 36,767.61	\$ 45,619.48	\$ 805.86	\$ 3,047.17	\$ 43,717.20	\$ 1,511.49	\$ 190,507.29

TOWN OF NEWCASTLE
 STATEMENT OF CASH FLOWS
 FIDUCIARY FUND TYPE - NONSPENDABLE TRUST FUNDS
 FOR THE YEAR ENDED JUNE 30, 2020

CASH FLOWS FROM OPERATING ACTIVITIES:	
Investment Income	\$ 13,700.61
CASH FLOWS FROM INVESTING ACTIVITIES:	
Net Purchase of Investments in Pooled Account	(9,368.33)
Increase in Cash	<u>\$ 4,332.28</u>
Cash Balance, July 1, 2019	<u>29,470.20</u>
Cash Balance, June 30, 2020	<u><u>\$ 33,802.48</u></u>

TOWN OF NEWCASTLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies of the Town of Newcastle conform to generally accepted accounting principles as applicable to governmental units.

1. Financial Reporting Entity

The Town of Newcastle was incorporated on August 23, 1775. The Town operates under a town manager/meeting form of government.

In evaluating the Town of Newcastle as a reporting entity, management has addressed all potential component units. The primary criteria for including a component reporting entity are the exercise of financial accountability by the Town of Newcastle's municipal officials.

The Town's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is responsible for establishing Generally Accepted Accounting Principles (GAAP) for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements.

2. Basic Financial Statements - Government-Wide Statements

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds). Both the government-wide and fund financial statements categorize primary activities as governmental. The Town's fire protection, recreation, public works, and general administrative services are classified as governmental activities.

In the government-wide Statements of Net Position, the governmental column is presented on a consolidated basis by column, and is reported on a full accrual, economic resource 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 invested in capital assets; restricted; and unrestricted. The Town first utilizes restricted resources to finance qualifying activities.

The government-wide Statements of Activities reports both the gross and net cost of each of the Town's functions and business-type activities (fire, public works, administrative, etc.). The functions are also supported by general government revenues (property, certain intergovernmental revenues, fines, permits, and charges, etc.). The Statements of Activities reduces gross expenses (including depreciation) by related program revenues, and operating and capital grants. Program revenues must be directly associated with the function (fire, public works, etc.). Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property, intergovernmental revenues, interest income, etc.).

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

TOWN OF NEWCASTLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

3. Basic Financial Statements - Fund Financial Statements

The financial transactions of the Town are reported in 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, liabilities, reserves, fund equity, 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:

a. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in 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:

1. General Fund:

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.

2. Fiduciary Funds:

Fiduciary Funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support town programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of either fund category) for the determination of major funds.

The Town's fiduciary funds are presented in the fiduciary fund financial statements. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

3. Capital Projects:

Capital Projects funds are used to account for financial resources to be used for various projects.

TOWN OF NEWCASTLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

4. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied:

a. 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.

b. Modified Accrual:

The governmental funds 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 within 60 days after year end. 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.

5. Financial Statement Amounts

a. Cash and Cash Equivalents:

The Town has defined cash and cash equivalents to include cash on hand, demand deposits, and cash with fiscal agents. Statutes authorize the Treasurer of the Town, as directed by the municipal officers, to invest all municipal funds, including reserve and trust funds, to the extent that the terms of the instrument, order, or article creating the fund do not prohibit the investment in financial institutions as described in Section 5706 MRSA and securities as described in Sections 5711 through 5717 MRSA.

b. Accounts Receivable:

Receivables include federal grants, state subsidies, town assessments and reimbursements. Based on prior year collections, management has determined that an allowance for doubtful accounts is not considered necessary at June 30, 2020.

c. Investments:

Investments, including deferred compensation and pension funds, are stated at fair value (quoted market price or the best available estimate).

TOWN OF NEWCASTLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

5. Financial Statement Amounts (Cont'd)

d. Capital Assets:

Capital assets purchased or acquired with an original cost of \$5,000.00 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	20-50 Years
Machinery and Equipment	5-10 Years
Improvements	10-20 Years
Other Infrastructure	20-50 Years

e. Revenues:

Substantially, all governmental fund revenues are accrued. Property taxes are billed and collected within the same period in which the taxes are levied. In applying GASB No. 33 to grant revenues, the provider recognizes liabilities and expenses and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and deferred revenue by the recipient.

f. Expenditures:

Expenditures are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period purchased.

g. Use of Estimates:

The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

h. Deferred Inflows of Resources:

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

TOWN OF NEWCASTLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

5. Financial Statement Amounts (Cont'd)

i. Fund Balance:

In accordance with GASB Statement No. 54, the Town employs terminology and classifications for fund balance items as follows:

Nonspendable fund balances include amounts that are not expected to be converted to cash, or that are legally required to be maintained intact. The fund balance of the Town's Cemetery Trust Fund is classified as nonspendable.

Restricted fund balances are amounts that can be used only for specific purposes because of legislation or restrictions imposed by donors.

Committed fund balances are amounts that can be used only for specific purposes because of a formal action taken by town government.

Assigned fund balances are resources that are constrained by the government's intent to be used for specific purposes but are neither restricted nor committed.

Unassigned fund balances are all amounts in the General Fund that are not assigned to another category. Only the General Fund can have an unassigned fund balance.

6. Future Accounting Pronouncements

- a. Statement No. 84, "Fiduciary Activities" effective for the fiscal year ended June 30, 2021. The objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This statement establishes criteria for identifying fiduciary activities of all state and local governments. The Town is currently evaluating whether the government is controlling the assets of the fiduciary activity and the beneficiaries with whom a fiduciary relationship exists to determine if the fiduciary fund should be included in the basic financial statements of future years.
- b. Statement No 87, "Leases" effective for the fiscal year ended June 30, 2022. The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments; leasing activities. Management has determined that the impact of this statement is not material to the financial statements.

TOWN OF NEWCASTLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

6. Future Accounting Pronouncements (Cont'd)

- c. Statement No. 89, "Accounting for Interest Cost Incurred before the End of a Construction Period", effective for the fiscal year ended June 30, 2022. The objectives of this statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This statement establishes accounting requirements for interest cost incurred before the end of a construction period. Management has determined that the impact of this statement is not material to the financial statements.
- d. Statement No. 90, "Majority Equity Interests", an amendment of GASB Statements No. 14 and No. 61 is effective for the fiscal year ended June 30, 2021. The primary objectives of this statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. Management has determined that the impact of this statement is not material to the financial statements.
- e. Statement No. 91, "Conduit Debt Obligations" is effective for the fiscal year ended June 30, 2023. The objective of the statement is to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required disclosures. Management has determined that this statement is not applicable.
- f. Statement No. 93, "Replacement of Interbank Offered Rates". The objective of this statement is to improve guidance regarding the governments that have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR) – most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021. The objective of this statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. Management has determined that this statement is not applicable.

7. Subsequent Events

After the Town of Newcastle's year end the community is still being impacted by the COVID-19 Virus. The Town of Newcastle's management has reviewed their operations and is currently evaluating the impact of the crisis on their operations. While there is a financial impact to the Town of Newcastle it is currently unknown the full extent this crisis will have on its operations and funding.

TOWN OF NEWCASTLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

7. Subsequent Events (Cont'd)

On October 9, 2020 the Town of Newcastle received a \$5,000.00 grant from the Center for Tech and Civic Life for the purpose of planning and operating safe and secure election administration.

The Town received \$176,166.00.00 in COVID relief money from the Federal Government in the fiscal year ending June 30, 2021.

NOTE B - CASH AND INVESTMENTS:

Cash

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

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

Category #2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the Town's name.

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

At June 30, 2020 cash consisted of:

ACCOUNT TYPE	CARRYING AMOUNT	BANK BALANCE	CATEGORY		
			#1	#2	#3
Interest Bearing Accounts	\$ 1,763,983.78	\$ 1,986,808.46	\$ 550,000.00	\$ 1,486,808.46	\$

Investments

The Town's investments are categorized to give an indication of the level of risk assumed by the Town at year end. These Categories are defined as follows:

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

Category #2 - Uninsured and unregistered investments with securities held by the Counterparty's trust department or agent in the Town's name.

Category #3 - Uninsured and unregistered investments with securities held by the Counterparty, or by its trust department or agent but not in the Town's name.

TOWN OF NEWCASTLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE B - CASH AND INVESTMENTS (CONT'D):

Investments (Cont'd)

INVESTMENT TYPE	COST	FAIR VALUE	CATEGORY		
			#1	#2	#3
Money Market	\$ 32,545.04	\$ 32,545.04	\$ 32,545.04	\$	\$
Equities	119,067.64	136,260.24	136,260.24		
Other Assets	15,647.44	28,318.88	28,318.88		
	<u>\$ 167,260.12</u>	<u>\$ 197,124.16</u>	<u>\$ 197,124.16</u>	<u>\$</u>	<u>\$</u>

NOTE C - ACCOUNTS RECEIVABLE:

Accounts Receivable consists of the following:

State of Maine - Homestead	\$ 27,195.25
State of Maine - Local Entitlement	15,713.84
State of Maine - Veterans	2,512.00
MMA Refund	1,661.00
	<u>\$ 47,082.09</u>

Allowance for Uncollectible Accounts

An allowance for doubtful accounts is not considered necessary at June 30, 2020.

NOTE D - PROPERTY, PLANT, AND EQUIPMENT:

The following is a summary of changes in fixed assets at June 30, 2020:

	BALANCE JULY 1, 2019	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2020
Non-Depreciable Capital Assets:				
Land and Improvements	\$ 131,165.00	\$	\$	\$ 131,165.00
Depreciable Capital Assets:				
Buildings and Improvements	823,321.00	18,288.32		841,609.32
Equipment and Vehicles	838,277.64		(8,609.00)	829,668.64
Infrastructure	3,766,766.00	971,737.76		4,738,503.76
	<u>\$ 5,559,529.64</u>	<u>\$ 990,026.08</u>	<u>\$ (8,609.00)</u>	<u>\$ 6,540,946.72</u>
Accumulated Depreciation	(2,786,051.29)	(103,207.91)	8,609.00	(2,880,650.20)
Net Property, Plant, and Equipment	<u>\$ 2,773,478.35</u>	<u>\$ 886,818.17</u>	<u>\$</u>	<u>\$ 3,660,296.52</u>

Depreciation expense for the period totaled \$103,207.91. Of that amount, \$14,072.19 was for General Government, \$52,233.34 was for Highways and Bridges, \$36,655.80 was for Protection, and \$246.58 was for Unclassified.

TOWN OF NEWCASTLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE E - GENERAL FUND BUDGET:

The Town operates on a net budget as compared with a gross budget. All revenues are not estimated but are credited to the particular operating account. Certain revenues are dedicated for particular purposes by vote of the townspeople at the annual town meeting or at special town meetings.

At the annual town meeting, generally held in June of each year, the townspeople vote on various articles on which amounts for appropriations have been recommended by the Board of Selectmen and/or the Budget Committee.

NOTE F - ASSIGNED FOR OTHER PURPOSES:

Historically, the townspeople vote to carry certain departmental unexpended balances forward to the following year for expenditure. This is usually in lieu of additional appropriations in any particular account.

General Government	\$ 30,840.20
Education	281,329.34
Protection	<u>12,836.30</u>
	<u>\$ 325,005.84</u>

NOTE G - EXPENDITURES/REVENUES IN EXCESS OF APPROPRIATIONS:

During the current year expenditures exceeded total appropriation in the following general fund categories, and revenues were under the budgeted amounts in the following general fund categories:

FUNCTION	APPROPRIATION AND REVENUE	BUDGETED REVENUES AND EXPENDITURES	VARIANCE
Expenditures:			
Adult Education	\$ 6,595.00	\$ 6,595.39	\$.39
Fringe Benefits	\$ 94,986.00	\$ 97,753.12	\$ 2,767.12
Janitor	\$ 4,050.00	\$ 4,692.04	\$ 642.04
Town Office	\$ 10,654.00	\$ 18,699.58	\$ 8,045.58
Animal Shelter	\$ 1,752.00	\$ 2,014.80	\$ 262.80
Hydrants	\$ 48,660.00	\$ 49,333.17	\$ 673.17
General Roads	\$ 218,160.00	\$ 255,810.49	\$ 37,650.49
Cemeteries	\$ 14,500.00	\$ 17,143.00	\$ 2,643.00
Abatements	\$	\$ 13,011.51	\$ 13,011.51
Revenues:			
Excise Taxes	\$ 366,030.68	\$ 388,500.00	\$ 22,469.32

The overdrafts are the results of expenditures exceeding budgeted amounts and revenues not meeting budgeted figures.

TOWN OF NEWCASTLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE H - REVENUE RECOGNITION - PROPERTY TAXES:

The Town's property tax for the year was levied July 22, 2019 on the assessed value listed as of April 1, 2019 for all taxable real and personal property located in the Town. Taxes were due on October 1, 2019 and April 1, 2020. Interest accrued at 6.00% per annum or part thereof commencing October 2, 2019 and April 2, 2020.

Tax liens are filed against delinquent real estate taxpayers after eight months but within one year of the original tax commitment. If the tax, interest, and costs have not been paid eighteen months after the filing of a lien certificate then the lien is automatically foreclosed.

The National Council on Governmental Accounting (N.C.G.A.) Interpretation No. 3 requires that property tax revenue be recognized only to the extent it will be collected within sixty days following the year end. The deferred tax revenue shown on the balance sheet represents property taxes not expected to be collected within sixty days after the year end.

Property taxes are recognized when they become available. Available includes those taxes expected to be collected within sixty days after year end, as stated above.

NOTE I - 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; injuries to employees; and natural disasters. All significant losses are covered by commercial insurance. There has been no significant reduction in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

NOTE J - OVERLAPPING DEBT:

The Town of Newcastle is situated in Lincoln County and is therefore subject to annual assessment of its proportional share of county expenses. Long-term debt outstanding in Lincoln County, for which the Town of Newcastle would be proportionally responsible in the event the County defaulted, is approximately \$4,214,275.00 at June 30, 2020. The Town of Newcastle's share would be 3.90% of the debt, or approximately \$164,357.00.

The Town of Newcastle is part of Great Salt Bay Community School District. Long-Term Debt outstanding for the District, for which the Town of Newcastle would be proportionally responsible in the event the District defaulted, is approximately \$869.00 at June 30, 2020. The Town of Newcastle's share would be 35.95% of the debt, or approximately \$313.00.

NOTE K - DEFERRED REVENUE:

Deferred revenue at June 30, 2020 consists of the following:

Prepaid Property Taxes	\$ 29,572.22
Suspense	52,094.58
	<u>\$ 81,666.80</u>

TOWN OF NEWCASTLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE L - NOTES PAYABLE:

The following is a summary of debt transactions for the year ended June 30, 2020:

	BALANCE JULY 1, 2019	ADDITIONS	REDUCTIONS	BALANCE JUNE 30, 2020
Fire Truck Loan	\$ 171,650.96		\$ 20,569.95	\$ 151,081.01
Academy Hill Bond		2,000,000.00		2,000,000.00
	<u>\$ 171,650.96</u>	<u>\$ 2,000,000.00</u>	<u>\$ 20,569.95</u>	<u>\$ 2,151,081.01</u>

Long-term debt payable at June 30, 2020 is comprised of the following:

Fire Truck Loan - Original principal of \$300,000.00 with an interest rate of 4.19%. The note matures in January 2027.

Academy Hill Bond - Original principal of \$2,000,000.00 with an interest rate of 1.92%. This note matures in August 2030.

The annual requirements to amortize the notes payable as of June 30, 2020 are as follows:

YEAR ENDING DECEMBER 31	PRINCIPAL	INTEREST	TOTAL
2021	\$ 21,155.96	\$ 35,580.41	\$ 56,736.37
2022	213,535.53	42,077.74	255,613.27
2023	216,326.16	37,389.95	253,716.11
2024	219,174.88	32,625.76	251,800.64
2025	222,007.86	27,859.57	249,867.43
2026-2030	1,050,113.40	71,109.55	1,121,222.95
2031-2035	208,767.22	2,015.30	210,782.52
	<u>\$ 2,151,081.01</u>	<u>\$ 248,658.28</u>	<u>\$ 2,399,739.29</u>

NOTE M - LEASES PAYABLE:

The following is a summary of lease transactions for the year ended June 30, 2020:

	BALANCE JULY 1, 2019	ADDITIONS	REDUCTIONS	BALANCE JUNE 30, 2020
Copier Lease	\$ 3,902.23		\$ 2,432.12	\$ 1,470.11

TOWN OF NEWCASTLE
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2020

NOTE M - LEASES PAYABLE (CONT'D):

Leases payable at June 30, 2020 is comprised of the following:

Copier Lease - Original principal of \$11,431.64 with an interest rate of 4.515%. This lease matures in January 2021.

The annual requirements to amortize the lease payable as of June 30, 2020 are as follows:

YEAR ENDING JUNE 30	PRINCIPAL	INTEREST	TOTAL
2021	\$ 1,470.11	\$ 22.29	\$ 1,492.40

TOWN OF NEWCASTLE
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2020

	<u>ORIGINAL AND FINAL BUDGET</u>	<u>ACTUAL</u>
REVENUES:		
Property Taxes	\$ 4,628,077.22	\$ 4,705,958.40
Excise Taxes	388,500.00	366,030.68
Education		217,602.44
General Government	27,960.00	42,512.35
Intergovernmental	244,116.56	244,797.31
Public Works	35,000.00	39,260.00
Protection	1,000.00	
Interest	39,000.00	79,423.57
 Total Revenues	<u>\$ 5,363,653.78</u>	<u>\$ 5,695,584.75</u>
 EXPENDITURES:		
Education	\$ 2,912,233.64	\$ 3,056,087.54
General Government	509,744.04	489,640.78
Protection	308,977.17	307,522.52
Public Works	581,086.00	571,812.99
Debt	27,084.00	27,083.04
Special Assessments	387,121.19	387,121.19
Unclassified	167,657.74	61,696.00
 Total Expenditures	<u>\$ 4,893,903.78</u>	<u>\$ 4,900,964.06</u>
Excess of Revenues Over Expenditures	\$ 469,750.00	\$ 794,620.69
 OTHER FINANCING SOURCES (USES):		
Operating Transfers - Out	554,750.00	554,750.00
 Excess of Revenues and Other Sources Over (Under)		
Expenditures and Other Uses	\$ (85,000.00)	\$ 239,870.69
Fund Balance, July 1, 2019	85,000.00	1,972,810.37
Fund Balance, June 30, 2020	<u>\$ -</u>	<u>\$ 2,212,681.06</u>

TOWN OF NEWCASTLE
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

Cash Balance, July 1, 2019		\$ 2,122,667.71
ADD: CASH RECEIPTS:		
Property Tax Collections:		
Current Year	\$ 4,243,680.57	
Prior Years	256,505.85	
Prepayments	<u>29,572.22</u>	
Total Property Tax Collections	\$ 4,529,758.64	
Excise Taxes	366,030.68	
Departmental (Schedule B-3)	325,145.25	
State Revenue Sharing	142,228.58	
State Highway Fund	39,260.00	
Homestead Reimbursements	142,566.25	
Accounts Receivable	75,196.30	
Old Dump Revenues	54.81	
Cemeteries Revenue	504.00	
State Fees	327.00	
Harbor Receipts	2,970.00	
Capital Reserves Receipts	<u>23,883.04</u>	
Total Cash Receipts		<u>5,647,924.55</u>
Total Cash Available		<u>\$ 7,770,592.26</u>
 LESS: CASH DISBURSEMENTS:		
Departmental (Schedule B-3)	\$ 4,895,527.07	
Prepaid Expenses	7,657.00	
Accounts Payable	40,914.48	
Old Dump Expenses	2,000.00	
Capital Reserve Expenses	1,059,453.55	
Harbor Expenses	<u>1,056.38</u>	
Total Cash Disbursements		<u>6,006,608.48</u>
Cash Balance, June 30, 2020		<u><u>\$ 1,763,983.78</u></u>

TOWN OF NEWCASTLE
STATEMENT OF CHANGES IN UNAPPROPRIATED SURPLUS
FOR THE YEAR ENDED JUNE 30, 2020

Unappropriated Surplus, July 1, 2019		\$ 1,600,233.52
INCREASE:		
Beginning Balance Adjustment	\$ 7,599.29	
Operating Account Balances Lapsed (Schedule B-3)	156,772.25	
Decrease in Deferred Taxes	74,931.18	
Prior Year School Accounts Receivable Adjustment	6,297.43	
Prior Year School Accounts Payable Adjustment	<u>23,518.14</u>	
		<u>269,118.29</u>
Unappropriated Surplus, June 30, 2020		<u><u>\$ 1,869,351.81</u></u>

TOWN OF NEWCASTLE
STATEMENT OF DEPARTMENTAL OPERATIONS
FOR THE YEAR ENDED JUNE 30, 2020

	BALANCE FORWARD 7/1/19	APPROPRIATIONS	CASH RECEIPTS	OTHER CREDITS	TOTAL	CASH DISBURSED	OTHER CHARGES	UNEXPENDED (OVERDRAFT)	BALANCE FORWARD 6/30/20
EDUCATION:									
Elementary Education	\$ -	\$ 1,776,157.39	\$ -	\$ -	\$ 1,776,157.39	\$ 1,772,780.84	\$ -	\$ -	\$ 3,376.55
Secondary Education	207,580.41	1,129,481.25	201,888.60	15,713.84	1,554,664.10	1,271,274.32	5,436.99		277,952.79
Adult Education		6,595.00			6,595.00	6,595.39		(0.39)	
	<u>\$ 207,580.41</u>	<u>\$ 2,912,233.64</u>	<u>\$ 201,888.60</u>	<u>\$ 15,713.84</u>	<u>\$ 3,337,416.49</u>	<u>\$ 3,050,650.55</u>	<u>\$ 5,436.99</u>	<u>\$ (0.39)</u>	<u>\$ 281,329.34</u>
GENERAL GOVERNMENT:									
Compensation	\$ -	\$ 253,848.00	\$ -	\$ -	\$ 253,848.00	\$ 235,302.76	\$ -	\$ -	\$ 18,545.24
Fringe Benefits		94,986.00			94,986.00	97,753.12		(2,767.12)	
Insurance		30,829.00	1,661.00		32,490.00	24,172.68		4,876.74	3,440.58
Assessor		19,700.00			19,700.00	19,700.00			
Janitor		4,050.00			4,050.00	4,692.04		(642.04)	
Operations/Services		89,063.04			89,063.04	85,424.65		3,638.39	
Town Office		10,654.00			10,654.00	18,699.58		(8,045.58)	
Parks and Playgrounds		3,614.00			3,614.00	2,889.63		724.37	
Planning Board	5,260.70	3,000.00	3,000.00		11,260.70	1,006.32	1,400.00		8,854.38
Interest			79,423.54		79,423.54		39,000.00	40,423.54	
Excise Taxes				366,030.68	366,030.68		388,500.00	(22,469.32)	
Fees for Services			32,405.73		32,405.73		26,560.00	5,845.73	
Intergovernmental			1,320.70	39,072.36	40,393.06		39,712.31	680.75	
State Revenue Sharing				90,134.00	90,134.00		90,134.00		
Homestead Reimbursement				114,270.25	114,270.25		114,270.25		
Supplemental Taxes				15,961.51	15,961.51			15,961.51	
Sale of Assets			5,445.65		5,445.65			5,445.65	
	<u>\$ 5,260.70</u>	<u>\$ 509,744.04</u>	<u>\$ 123,256.62</u>	<u>\$ 625,468.80</u>	<u>\$ 1,263,730.16</u>	<u>\$ 489,640.78</u>	<u>\$ 699,576.56</u>	<u>\$ 43,672.62</u>	<u>\$ 30,840.20</u>
PROTECTION:									
Animal Control	\$ -	\$ 5,000.00	\$ -	\$ -	\$ 5,000.00	\$ 2,455.48	\$ -	\$ 2,544.52	\$ -
Waste Disposal		94,184.00			94,184.00	94,184.00			
General Assistance		3,000.00			3,000.00	100.00	1,000.00	1,900.00	
Ambulance		15,000.00			15,000.00	15,000.00			
Animal Shelter		1,752.00			1,752.00	2,014.80		(262.80)	
Fire Department		118,831.17			118,831.17	116,956.07		1,875.10	
Fire Station	8,407.00	12,200.00			20,607.00	18,755.81			1,851.19
Sheepscot Station	9,829.19	2,450.00			12,279.19	1,294.08			10,985.11
Hydrants		48,660.00			48,660.00	49,333.17		(673.17)	
Street Lights		7,500.00			7,500.00	7,208.71		291.29	
Route One		400.00			400.00	220.40		179.60	
	<u>\$ 18,236.19</u>	<u>\$ 308,977.17</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 327,213.36</u>	<u>\$ 307,522.52</u>	<u>\$ 1,000.00</u>	<u>\$ 5,854.54</u>	<u>\$ 12,836.30</u>
PUBLIC WORKS:									
General Roads	\$ -	\$ 178,900.00	\$ -	\$ 39,260.00	\$ 218,160.00	\$ 220,810.49	\$ 35,000.00	\$ (37,650.49)	\$ -
Snow Removal		402,186.00			402,186.00	351,002.50		51,183.50	
	<u>\$ -</u>	<u>\$ 581,086.00</u>	<u>\$ -</u>	<u>\$ 39,260.00</u>	<u>\$ 620,346.00</u>	<u>\$ 571,812.99</u>	<u>\$ 35,000.00</u>	<u>\$ 13,533.01</u>	<u>\$ -</u>

TOWN OF NEWCASTLE
STATEMENT OF DEPARTMENTAL OPERATIONS
FOR THE YEAR ENDED JUNE 30, 2020

	BALANCE FORWARD 7/1/19	APPROPRIATIONS	CASH RECEIPTS	OTHER CREDITS	TOTAL	CASH DISBURSED	OTHER CHARGES	UNEXPENDED (OVERDRAFT)	BALANCE FORWARD 6/30/20
DEBT	\$ -	\$ 27,084.00	\$ -	\$ -	\$ 27,084.00	\$ 27,083.04	\$ -	\$ 0.96	\$ -
SPECIAL ASSESSMENTS:									
County Tax	\$ -	\$ 387,121.19	\$ -	\$ -	\$ 387,121.19	\$ 387,121.19	\$ -	\$ -	\$ -
UNCLASSIFIED:									
Cemeteries	\$ -	\$ 14,500.00	\$ -	\$ -	\$ 14,500.00	\$ 17,143.00	\$ -	\$ (2,643.00)	\$ -
Non-Profits		44,553.00			44,553.00	44,553.00			
Overlay/Abatements		108,604.74			108,604.74		13,011.51	95,593.23	
Utilization of Undesignated Fund Balance	85,761.28				85,761.28		85,000.00	761.28	
	<u>\$ 85,761.28</u>	<u>\$ 167,657.74</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 253,419.02</u>	<u>\$ 61,696.00</u>	<u>\$ 98,011.51</u>	<u>\$ 93,711.51</u>	<u>\$ -</u>
TRANSFERS TO OTHER FUNDS:									
Capital Projects	\$ -	\$ 554,750.00	\$ -	\$ -	\$ 554,750.00	\$ -	\$ 554,750.00	\$ -	\$ -
	<u>\$ 316,838.58</u>	<u>\$ 5,448,653.78</u>	<u>\$ 325,145.25</u>	<u>\$ 680,442.64</u>	<u>\$ 6,771,080.25</u>	<u>\$ 4,895,527.07</u>	<u>\$ 1,393,775.06</u>	<u>\$ 156,772.25</u>	<u>\$ 325,005.87</u>

TOWN OF NEWCASTLE
VALUATION, ASSESSMENT, AND COLLECTIONS
FOR THE YEAR ENDED JUNE 30, 2020

VALUATION:

Land	\$ 119,520,350.00
Building	139,031,450.00
	<u>\$ 258,551,800.00</u>

ASSESSMENT:

Valuation x Rate (\$258,551,800.00 x .0179)	\$ 4,628,077.22
Supplementals	<u>15,961.51</u>

\$ 4,644,038.73

COLLECTIONS AND CREDITS:

Cash Collections	\$ 4,243,680.57
Prepaid	64,509.90
Tax Acquired Property	630.08
Abatements	<u>13,011.51</u>

4,321,832.06

2019 Taxes Receivable, June 30, 2020

\$ 322,206.67

COMPUTATION OF ASSESSMENT

Tax Commitment	\$ 4,628,077.22
State Revenue Sharing	90,134.00
Homestead Reimbursement	114,270.25
BETE Reimbursement	5,512.31
Tree Growth Reimbursement	32,000.00
Veterans Reimbursement	2,000.00
LRAP	35,000.00
Excise Taxes	388,500.00
Other Revenue	68,160.00
Surplus	<u>85,000.00</u>

\$ 5,448,653.78

REQUIREMENTS:

Municipal Appropriation	\$ 2,047,289.60
Education	2,905,638.25
County Tax	<u>387,121.19</u>

5,340,049.04

Overlay

\$ 108,604.74

TOWN OF NEWCASTLE
RECONCILIATION OF TREASURER'S CASH BALANCE
JUNE 30, 2020

Petty Cash		\$ 400.00
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GENERAL FUND CHECKING ACCOUNT:

Damariscotta Bank & Trust, Damariscotta, Maine

Balance Per Bank Statement	\$ 1,985,343.37	
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Deduct: Outstanding Checks	232,090.28	
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Add: Deposits In Transit	8,865.60	
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		1,762,118.69
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CREDIT/DEBIT CARD ACCOUNT:

Damariscotta Bank & Trust, Damariscotta, Maine

Balance Per Bank Statement		1,465.09
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Cash Balance, June 30, 2020

	\$ 1,763,983.78
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TOWN OF NEWCASTLE
TAX LIENS
JUNE 30, 2020

2018

Alden, Raymond, Sr.	\$ 2,561.49
Bolint, Seth S.	468.82
Clayter, Stephanie L.	1,066.84
Coffin, Garrett S.	4,854.48
Doherty, Christopher C.	2,484.52
Dwyer, Glenn	2,826.41
Edgecomb, Victor A.	1,648.59
Ford, Robin	1,763.15
Fortier, Bernice M., Devises of	3,052.25
Fowler, Douglas	3,628.33
Freeman, George M.	588.91
Freeman, George M.	6,048.41
Freese, George W.	1,133.07
Gaudet, Lorenzo	3.58
Glasier, Susan E.	1,308.49
Hamlyn, Robert	1,779.89
Hoffman, Mark R.	5,112.24
Hoffman, Mark R.	1,066.84
Hourihan, Thomas J.	65.38
Jane, Thomas C.	0.79
Kelly, Melissa J.	2,754.81
Libby, Dondra (LE)	1,455.27
Libby, Vivian C.	1,571.62
Libby, Vivian C. (Cottage)	5,497.09
Ludwig, Douglas	3,196.94
McClure, Julia	202.27
McLellan, Kimberly B.	984.95
Morse, Nahum	929.01
Munroe, Westleigh	2,010.20
Nelson, John W.	291.77
Nicoll, Gordon	791.18
Popp, Stephen J.	4,117.00
Sandner, Jeffrey R.	447.50
Sidelinger, David	690.94
Spear, Marisha	1,043.57
Stevens, Casey T., Trustee	1,584.15
Taylor, James E.	1,612.79

\$ 70,643.54

2017

Taylor, James E.

1,626.31

\$ 72,269.85

TOWN OF NEWCASTLE
TAXES RECEIVABLE
JUNE 30, 2020

Real Estate2019

48 Main LLC	\$ 6.28
Abbott, William	48.33
Alden, Raymond M., Sr.	2,561.49
Anderson, Lester A.	1,374.72
Bailey, Desiree	91.29
Bartlett, Lawrence A.	1,464.22
Bartlett, Lawrence A.	476.14
Beavis, Eric A.	1,627.11
Begin, L. David	39.13
Bellefleur, Raymond L.	1,428.42
Billings, Phyllis C.; Heirs of	957.65
Billings, Stanley C.	789.39
Billings, Stanley C.	447.50
Blake, Robert E.	1,461.53
Bolint, Seth S.	866.36
Brannen, Colin L.	1,192.14
Brinkler, James E.	420.65
Brinkler, Michael J.	3,345.51
Brooks, John E.	2,663.52
Buehner, Christian L.	1,781.05
Butler, Roisen	3,746.47
Butterfield, Randy & Hunt, Eben C., Trustees	447.50
Camp Big Ma, LLC	15.57
Campbell, Joshua R.	930.80
Carew, Robert B.	1.49
Carew, Robert B.	341.89
Caron, Jennifer M.	2,119.13
Carter, Shawn W.	1,510.76
Chamberlain, Paul D.	1,671.88
Clark, Gordon M.	120.82
Clark, Gordon M.	480.61
Clayter, Stephanie L.	1,066.84
Coffin, Garrett S.	4,854.48
Coit, Margaret G.	429.22
Coit, Margaret G.	470.61
Corscaden, Patricia	500.00
Crowell, David A.	2,514.95
Daiute, Jesse C.	3,189.78
Davey, Regina	1,424.84
Denray LLC	7,840.20
Denray LLC	1,539.40
Dinsmore, Lisa W.	596.12
Doherty, Christopher C.	2,484.52
Dumont, Theodore J.	3,714.25
Dumont, Theodore J.	107.40
Dwyer, Glenn J.	2,826.41

TOWN OF NEWCASTLE
TAXES RECEIVABLE
JUNE 30, 2020

Real Estate (Cont'd)

2019 (Cont'd)

E&H Brewer LLC	\$ 562.95
Edgecomb, Victor A.	1,648.59
Faux, George F.	2,476.46
Faux, George F.	349.94
Ferrante, David J.	1,637.85
Ford, Robin L.	1,763.15
Fortier, Bernice M.; Devisees of	3,343.72
Fowler, Douglas T.	3,628.33
Freeman, George M.	6,048.41
Freeman, George M.	588.91
Freese, George W.	2,266.14
Frost, Mary E.	1,982.42
Garber, Paul M.	1,817.74
Gaudet, Lorenzo	3.58
Glasier, Susan E.	1,308.49
Glendinning, Priscilla C.	954.07
Gregory, Shawn S.	5,319.88
Hamlyn, Robert T.	3,689.19
Hilton, Elayn G.	136.93
Hilton, Elayn G.	2,738.70
Hingston, Samuel R.	2,287.62
Hingston, Samuel R.	759.85
Hodgkins, Maxwell A.	1,155.44
Hoffman, Mark R.	5,112.24
Hoffman, Mark R.	1,066.84
Homan, John W.	1,619.95
Hourihan, Thomas J.	87.71
Huffman, Richard L.; Trustee	2,045.07
Hunt, Robert E.	71.60
Hunt, Robert E. & Kendal J., Trustees	4,548.39
Huntley, Clayton V.	1,733.94
Hutchinson, Tamara M.	4.47
Indian Trail, LLC	3,107.44
J&R Schumacher, LLC	1,039.99
Jane, Thomas C.	1,412.31
Kelly, Melissa J.	2,754.81
Kennedy, Nancy J.	2,250.03
Lee, Henry G.	2,794.19
Lee, Henry G.	5,097.92
Lee, Lawrence R.	5,945.28
Lee, Whitney; Trustee	4,836.58
Leeman, David M.	1,308.67
Lenzycki, Paul R.	550.42
Libby, Dondra L.	1,455.27
Libby, Harlow J., Jr.	1,170.66
Libby, Vivian C.	1,571.62
Libby, Vivian C.	5,486.35

TOWN OF NEWCASTLE
TAXES RECEIVABLE
JUNE 30, 2020

Real Estate (Cont'd)

2019 (Cont'd)

Lincoln Academy, Inc.	\$ 5,330.62
Liu, Ching	2,251.82
Ludwig, Douglas P.	3,247.06
Lyndaker, Luke A.	4,226.19
Maddox, Matthew R.	5,828.24
Maloney, Lynn P.	1,525.76
Masland, Geoffrey, S. & Dashiell	2.68
McClure, Julia	202.27
McFarland, Harvey W.	2,015.54
McGrath Family, LLC	0.01
McGraw, Bobbie Jo	2,497.05
McGregor, Elizabeth M.	2,263.45
McKenney, Timothy B. & Deborah L; Trustees	651.56
McLellan, Kimberly B.	3,207.68
McPhetres, Terry J.	2,301.94
Meade, Frazier	0.03
Minihane, Kirk	4,576.13
Minzner, Erik R.	1,904.56
Moran, Theresa M.	128.88
Morgan, Timothy	1,917.09
Morse, Nahum	929.01
Munroe, Westleigh	2,269.72
Myers, Ana W.	3,479.76
Neill, Stephen M.	784.81
Nelson, Betty J.	2,398.89
Nelson, John W.	284.61
Neptune-Benner, Casandra L.	572.80
Newcastle Ventures, LLC	11,389.77
Nicoll, Gordon	791.18
O'Neal, David E.	8.00
O'Toole, Diana O.	3,457.86
Owen, Eric	3.27
Perce, Robert M.	268.09
Phillips, Grace B.	1,441.84
Plourde, Robert S.	2,947.23
Popp, Stephen J.	4,117.00
Precourt, Geoffrey M.	4,357.75
Ratner, Ronald	1,059.68
Readinger, Charles J.	447.50
Reed, Jacklyn D.	878.89
Reed, Jacobs S.	1,455.27
Ripley, Richard L.	1,682.60
Ripley, Richard L.	205.85
Roberts, Christopher	9,035.92
Roy, John R.	429.60
Russell, Arthur M.	28.64
Russell, Arthur M.	60.86
Sandner, Jeffrey R.	447.50
Scanlan, Christopher J.	1,747.93
Schumacher, John M.	2,199.91

TOWN OF NEWCASTLE
TAXES RECEIVABLE
JUNE 30, 2020

Real Estate (Cont'd)

2019 (Cont'd)

Shadis, Patricia V.	\$ 2,204.96
Sherman, Peter M.	16.25
Sherman, Peter M.	17.47
Sherman, Peter M.	47.41
Sidelinger, David L.	690.94
Skene, Alexander J., Jr.	1,660.22
Smith, James M.	923.64
Smith, James M.	4,654.00
Smith, Kimberly	1,901.50
Spear, Marisha	1,043.57
Standard Boathouse LLC	2,160.53
Stevens, Casey T.; Trustee	1,584.15
Stevens, Horace	598.75
Stevens, Thomas A.	1,627.11
Stevens, Thomas A.	247.92
Sullivan, Jeffrey S., Sr.	108.14
Szcepanski, John E.	467.19
Taylor, James E.	1,612.79
Taylor, Kenneth A.	272.08
Trafton, Anna D. Knapp; Trustee	59.07
Trafton, Anna D. Knapp; Trustee	551.32
Trafton, Anna D. Knapp; Trustee	545.95
Trafton, Anna D. Knapp; Trustee	10.74
Trafton, Anna D. Knapp; Trustee	66.23
Trafton, Anna D. Knapp; Trustee	10,645.13
Trails End LLC	152.86
Van Abshoven, Michelle M.	935.27
Vaughan, William J., Jr.	6.95
Vaughan, William J., Jr. & Mary C., Trustees	30.03
Wallace, Robert H.	764.33
Welch, Benjamin M., Jr.	1,895.52
Welch, Benjamin M., Jr.	1,288.03
Welch, Benjamin M., Jr.	4,014.97
Welch, Benjamin M., Jr.	490.84
Welch, Christine A.	608.60
White, Lori A.	687.36
White, Sharon S.	1.03
Winkle, Amy R.; Trustee	178.88
Wood, Eric M.	1,482.12

\$ 321,042.63

TOWN OF NEWCASTLE
TAXES RECEIVABLE
JUNE 30, 2020

Personal Property2019

Coastal Maine Wood Floors	\$ 50.12	
Colby Auto Center	128.88	
Faux, George F.	222.42	
Mike's Place	35.80	
MJP Forestry	8.95	
Newcastle Pre-School	16.11	
Newcastle Publick House	179.00	
Sandner, Jeffrey & Brenda	375.90	
Simonds Originals Fiber Art	21.48	
Stone Edge Farm	8.95	
Straw, Lee R.	41.17	
Taxman, Inc.	23.27	
The Trustees of the Lincoln Academy	0.08	
Tipsy Butler, B&B	3.58	
True North Surveying Services	48.33	
		\$ 1,164.04

2018

Coastal Maine Wood Floors	\$ 50.12	
Colby Auto Center	128.88	
Blueberry Broadcasting, LLC	76.97	
Mike's Place	35.80	
Newcastle Pre-School	16.11	
Sandner, Jeffrey & Brenda	375.90	
Simonds Originals Fiber Art	21.48	
Straw, Lee	50.12	
Taxman, Inc.	12.05	
True North Surveying Services	48.33	
		815.76

2017

Coastal Maine Woods Floors	\$ 50.54	
Colby Auto Center	129.96	
Mike's Place	36.10	
Sandner, Jeffrey & Brenda	379.05	
Simonds Originals Fiber Art	21.66	
Straw, Lee	84.84	
True North Surveying Services	48.74	
		750.89

2016

Coastal Maine Wood Floors	\$ 46.88	
Colby Auto Center	122.74	
Edelstein, Monte	3.61	
Mike's Place	34.30	
Sandner, Jeffrey & Brenda	361.00	
True North Surveying Services	46.93	
		615.46

TOWN OF NEWCASTLE
TAXES RECEIVABLE
JUNE 30, 2020

Personal Property2015

Colby Auto Center	\$ 17.56	
Fowler Excavation	857.38	
Mike's Place	34.30	
Sandner, Jeffrey & Brenda	<u>361.00</u>	\$ 1,270.24

2014

Fowler Excavation	\$ 826.50	
Sandner, Jeffrey & Brenda	<u>348.00</u>	1,174.50

2013

Brewer, Dwight	\$ 38.16	
Fowler Excavation	755.25	
Sandner, Jeffrey & Brenda	<u>318.00</u>	1,111.41

2012

Fowler Excavation	\$ 1,415.50	
Sandner, Jeffrey & Brenda	<u>298.00</u>	1,713.50

2011

Fowler Excavation C/O		1,287.00
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2010

Fowler Excavation		1,287.00
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2009

Fowler Excavation		1,241.00
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2008

Fowler Excavation	\$ 1,156.00	
Nelson, Raoul	<u>66.64</u>	1,222.64
		<u>\$ 334,696.07</u>

TOWN OF NEWCASTLE
TAX ACQUIRED PROPERTY
JUNE 30, 2020

Curlewis, Ian	\$ 6,141.92
Curlewis, Ian	5,899.60
Curlewis, Ian	3,097.29
Lanigan, Charles K.	3,814.68
	<u>\$ 18,953.49</u>

TOWN OF NEWCASTLE
ABATEMENTS AND SUPPLEMENTALS
JUNE 30, 2020

ABATEMENTS

2020

Lincoln Academy

\$ 13,011.51

SUPPLEMENTALS

2020

Suzanne Gastaldo

\$ 2,950.00

Lincoln Academy

13,011.51

\$ 15,961.51

Schedule B-10

CEMETERY TRUST FUNDS
JUNE 30, 2020

	PRINCIPAL	UNEXPENDED INCOME
CEMETERY PERPETUAL CARE FUNDS:		
C&M Hatch	\$ 2,000.54	\$ 1,033.86
Sheepscot Cemetery	25,951.46	30,052.62
Glidden St. Cemetery	22,623.69	14,143.92
Pine Knoll Cemetery	33,873.22	11,746.26
Whitehouse Cemetery	553.80	252.06
Hussey Cemetery	2,500.00	547.17
Worthy Poor	23,038.99	20,678.21
Cemetery Trust	1,511.49	1,511.49
	\$ 110,541.70	\$ 79,965.59

TOWN OF NEWCASTLE
CAPITAL RESERVE FUNDS
JUNE 30, 2020

VETERANS PARK:		
Fund Balance, July 1	\$ 2,140.00	
Add: Interest	20.57	
Appropriation	1,250.00	
Donation	400.00	
Fund Balance, June 30	<u>400.00</u>	\$ 3,810.57
ROAD EQUIPMENT RESERVE:		
Fund Balance, July 1	\$ 78,381.93	
Add: Interest	753.28	
Appropriation	530,000.00	
Less: Expenditure	<u>(606,666.75)</u>	
Fund Balance, June 30		2,468.46
HARRIET BERD PLAYGROUND RESERVE:		
Fund Balance, July 1	\$ 11,800.00	
Add: Interest	113.40	
Appropriation	1,500.00	
Rental Income	450.00	
Less: Expenditure	<u>(1,140.00)</u>	
Fund Balance, June 30		12,723.40
CONSERVATION COMMISSION:		
Fund Balance, July 1	\$ 22,239.91	
Add: Interest	<u>(1,607.55)</u>	
Fund Balance, June 30		20,632.36
ALEWIVES RESERVE:		
Fund Balance, July 1	\$ 67,367.96	
Add: Interest	645.72	
Deposits	20,936.78	
Less: Expenditures	<u>(49,172.83)</u>	
Fund Balance, June 30		39,777.63
COMPUTER RESERVE:		
Fund Balance, July 1	\$ 22,116.53	
Add: Interest	212.55	
Appropriation	2,000.00	
Less: Expenditures	<u>(16,542.96)</u>	
Fund Balance, June 30		7,786.12
MUNICIPAL RESERVE:		
Fund Balance, July 1	\$ 36,500.00	
Add: Interest	350.78	
Less: Expenditures	<u>(3,000.00)</u>	
Fund Balance, June 30		33,850.78
REVALUATION RESERVE:		
Fund Balance, July 1	\$ -	
Add: Appropriation	20,000.00	
Less: Expenditures	<u>15,000.00</u>	
Fund Balance, June 30		5,000.00
ACADEMY HILL ROAD PROJECT:		
Fund Balance, July 1	\$ -	
Add: Loan Proceeds	2,000,000.00	
Less: Expenditures	<u>(367,931.01)</u>	
Fund Balance, June 30		<u>1,632,068.99</u>
		<u>\$ 1,758,118.31</u>

TOWN OF NEWCASTLE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

FEDERAL GRANTOR/PASS THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS THROUGH GRANTOR NUMBER	FUND BALANCE JULY 1, 2019	REVENUES	EXPENDITURES	FUND BALANCE JUNE 30, 2020
U.S. DEPARTMENT OF EDUCATION: Passed Through State Department of Education:						
IDEA Special Education - Grants to States (IDEA Part B)	84.027	013.3046.12	\$ -	\$ 15,713.84	\$ 15,713.84	\$ -

NOTE A - SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies of the Town of Newcastle's Schedule of Expenditures of Federal Awards conforms to generally accepted accounting principles as applicable to governmental units. The modified accrual basis of accounting is followed. This method of accounting is defined as the basis of accounting under which expenditures are recorded as incurred, and revenues are recorded when received in cash except for material and/or available revenues which are accrued to properly reflect the assessments levied and the revenues earned.

NOTE B - BASIS OF PRESENTATION:

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of the Town of Newcastle under programs of the federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Town of Newcastle, it is not intended to and does not present the financial position of the Town, as of June 30, 2020, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

NOTE C - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

1. Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
2. Pass-through entity identifying numbers are presented where available.
3. The Town of Newcastle has not elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE D - AWARDS TO SUBRECIPIENTS:

During the year ended June 30, 2020, there were no awards passed through to subrecipients.