



*Proven Expertise and Integrity*

March 28, 2017

Board of Selectmen  
Town of Warren  
Warren, Maine

We were engaged by the Town of Warren and have audited the financial statements of the Town of Warren as of and for the year ended June 30, 2016. The following statements and schedules have been excerpted from the 2016 financial statements, a complete copy of which, including our opinion thereon, is available for inspection at the Town Office.

Included herein are:

Budgetary Comparison Schedule – Budget to Actual - General Fund	Schedule 1
Balance Sheet – Governmental Funds	Statement C
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	Statement E
Schedule of Departmental Operations – General Fund	Schedule A
Combining Balance Sheet – Nonmajor Governmental Funds	Schedule B
Combining Schedule of Revenue, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	Schedule C
Reserves/Trust Management	

*RHR Smith & Company*

Certified Public Accountants

## TOWN OF WARREN, MAINE

BUDGETARY COMPARISON SCHEDULE – BUDGETARY BASIS  
 BUDGET AND ACTUAL – GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
Budgetary Fund Balance - July 1	\$ 1,563,451	\$ 1,563,451	\$ 1,563,451	\$ -
Resources (Inflows):				
Property taxes	4,766,072	4,766,072	4,742,472	(23,600)
Excise taxes	605,000	605,000	709,025	104,025
Intergovernmental revenue	350,893	352,157	399,349	47,192
Charges for services	199,600	199,600	266,534	66,934
Interest income	43,000	43,000	81,302	38,302
Other revenue	1,500	1,500	11,354	9,854
Transfers from other funds	-	-	-	-
Amounts Available for Appropriation	<u>7,529,516</u>	<u>7,530,780</u>	<u>7,773,487</u>	<u>242,707</u>
Charges to Appropriations (Outflows):				
General government	575,667	574,667	497,757	76,910
Public safety	458,491	458,491	443,576	14,915
Public works	432,484	432,484	370,553	61,931
Health and sanitation	187,182	187,182	173,819	13,363
Recreation and culture	120,800	122,064	100,275	21,789
County tax	144,033	144,033	144,423	(390)
Education	3,629,875	3,629,875	3,629,875	-
Debt service:				
Interest	5,000	5,000	-	5,000
Unclassified	180,466	180,466	119,493	60,973
Transfers to other funds	232,067	233,067	233,067	-
Total Charges to Appropriations	<u>5,966,065</u>	<u>5,967,329</u>	<u>5,712,838</u>	<u>254,491</u>
Budgetary Fund Balance, June 30	<u>\$ 1,563,451</u>	<u>\$ 1,563,451</u>	<u>\$ 2,060,649</u>	<u>\$ 497,198</u>

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

## STATEMENT C

## TOWN OF WARREN, MAINE

BALANCE SHEET - GOVERNMENTAL FUNDS  
AS OF JUNE 30, 2016

	General Fund	Segregated Cemetery Trust Fund	John F. Richardson Trust Fund	Eaton Scholarship Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and cash equivalents	\$ 2,157,615	\$ 75,247	\$ 32,392	\$ 33,237	\$ 696,503	\$ 2,994,994
Investments	-	1,102,154	670,598	842,291	1,854,233	4,469,276
Accounts receivable (net of allowance for uncollectibles):						
Taxes	545,461	-	-	-	-	545,461
Tax liens	190,492	-	-	-	-	190,492
Other	66,908	-	-	-	-	66,908
Prepaid items	1,777	-	-	-	-	1,777
Tax acquired property	19,079	-	-	-	-	19,079
Due from other funds	271,733	-	-	-	412,774	684,507
<b>TOTAL ASSETS</b>	<b>\$ 3,253,065</b>	<b>\$ 1,177,401</b>	<b>\$ 702,990</b>	<b>\$ 875,528</b>	<b>\$ 2,963,510</b>	<b>\$ 8,972,494</b>
<b>LIABILITIES</b>						
Accounts payable	\$ 39,831	\$ -	\$ -	\$ -	\$ -	\$ 39,831
Accrued expenses	13,640	-	-	-	-	13,640
Due to other funds	412,774	-	-	-	271,733	684,507
<b>TOTAL LIABILITIES</b>	<b>466,245</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>271,733</b>	<b>737,978</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Prepaid taxes	28,571	-	-	-	-	28,571
Deferred property tax	697,600	-	-	-	-	697,600
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>726,171</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>726,171</b>
<b>FUND BALANCES</b>						
Nonspendable	20,856	-	-	-	-	20,856
Restricted	-	1,177,401	702,990	875,528	1,949,492	4,705,411
Committed	-	-	-	-	742,718	742,718
Assigned	450,667	-	-	-	-	450,667
Unassigned	1,589,126	-	-	-	(433)	1,588,693
<b>TOTAL FUND BALANCES</b>	<b>2,060,649</b>	<b>1,177,401</b>	<b>702,990</b>	<b>875,528</b>	<b>2,691,777</b>	<b>7,508,345</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 3,253,065</b>	<b>\$ 1,177,401</b>	<b>\$ 702,990</b>	<b>\$ 875,528</b>	<b>\$ 2,963,510</b>	<b>\$ 8,972,494</b>

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

## TOWN OF WARREN, MAINE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	General Fund	Segregated Cemetery Trust Fund	John F. Richardson Trust Fund	Eaton Scholarship Fund	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Taxes:						
Property	\$ 4,742,472	\$ -	\$ -	\$ -	\$ -	\$ 4,742,472
Excise	709,025	-	-	-	-	709,025
Intergovernmental	399,349	-	-	-	-	399,349
Investment income, net of unrealized gains/(losses)	81,302	135,826	82,847	105,195	230,578	635,748
Charges for services/fees	266,534	-	-	-	-	266,534
Other revenue	11,354	1,250	-	-	121,968	134,572
<b>TOTAL REVENUES</b>	<b>6,210,036</b>	<b>137,076</b>	<b>82,847</b>	<b>105,195</b>	<b>352,546</b>	<b>6,887,700</b>
<b>EXPENDITURES</b>						
Current:						
General government	497,757	-	-	-	-	497,757
Public safety	443,576	-	-	-	-	443,576
Public works	370,553	-	-	-	-	370,553
Health and sanitation	173,819	-	-	-	-	173,819
Recreation and culture	100,275	-	-	-	-	100,275
County tax	144,423	-	-	-	-	144,423
Education	3,629,875	-	-	-	-	3,629,875
Unclassified	119,493	7,340	6,871	34,541	714,285	882,530
<b>TOTAL EXPENDITURES</b>	<b>5,479,771</b>	<b>7,340</b>	<b>6,871</b>	<b>34,541</b>	<b>714,285</b>	<b>6,242,808</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>730,265</b>	<b>129,736</b>	<b>75,976</b>	<b>70,654</b>	<b>(361,739)</b>	<b>644,892</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	-	266,359	266,359
Transfers (out)	(233,067)	-	-	-	(33,292)	(266,359)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(233,067)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>233,067</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>497,198</b>	<b>129,736</b>	<b>75,976</b>	<b>70,654</b>	<b>(128,672)</b>	<b>644,892</b>
<b>FUND BALANCES - JULY 1</b>	<b>1,563,451</b>	<b>1,047,665</b>	<b>627,014</b>	<b>804,874</b>	<b>2,820,449</b>	<b>6,863,453</b>
<b>FUND BALANCES - JUNE 30</b>	<b>\$ 2,060,649</b>	<b>\$ 1,177,401</b>	<b>\$ 702,990</b>	<b>\$ 875,528</b>	<b>\$ 2,691,777</b>	<b>\$ 7,508,345</b>

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

## TOWN OF WARREN, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2016

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
<b>GENERAL GOVERNMENT</b>					
Board of Selectmen	\$ 50,950	\$ -	\$ 50,950	\$ 23,841	\$ 27,109
Administration	263,657	-	263,657	229,831	33,826
Town clerk	50,513	(1,000)	49,513	44,555	4,958
Assessing	53,621	-	53,621	49,814	3,807
Code/planning	30,981	-	30,981	26,497	4,484
Personnel/fringes	125,945	-	125,945	123,219	2,726
Total	<u>575,667</u>	<u>(1,000)</u>	<u>574,667</u>	<u>497,757</u>	<u>76,910</u>
<b>PUBLIC SAFETY</b>					
Fire department	79,219	-	79,219	70,994	8,225
Ambulance	169,258	-	169,258	157,327	11,931
Animal control	12,261	-	12,261	11,279	982
General protections	197,753	-	197,753	203,976	(6,223)
Total	<u>458,491</u>	<u>-</u>	<u>458,491</u>	<u>443,576</u>	<u>14,915</u>
<b>PUBLIC WORKS</b>					
Highway	432,484	-	432,484	370,553	61,931
Total	<u>432,484</u>	<u>-</u>	<u>432,484</u>	<u>370,553</u>	<u>61,931</u>
<b>HEALTH AND SANITATION</b>					
Transfer station	187,182	-	187,182	173,819	13,363
Total	<u>187,182</u>	<u>-</u>	<u>187,182</u>	<u>173,819</u>	<u>13,363</u>

## TOWN OF WARREN, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2016

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
RECREATION AND CULTURE					
Library	43,647	-	43,647	34,845	8,802
Recreation	47,713	-	47,713	45,689	2,024
Social services and contributions	29,440	-	29,440	18,477	10,963
Snowmobile	-	1,264	1,264	1,264	-
Total	<u>120,800</u>	<u>1,264</u>	<u>122,064</u>	<u>100,275</u>	<u>21,789</u>
COUNTY TAX	<u>144,033</u>	<u>-</u>	<u>144,033</u>	<u>144,423</u>	<u>(390)</u>
EDUCATION	<u>3,629,875</u>	<u>-</u>	<u>3,629,875</u>	<u>3,629,875</u>	<u>-</u>
DEBT SERVICE					
TAN interest	5,000	-	5,000	-	5,000
Total	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
UNCLASSIFIED					
Facilities/grounds	74,200	-	74,200	71,342	2,858
Overlay	106,266	-	106,266	48,151	58,115
Total	<u>180,466</u>	<u>-</u>	<u>180,466</u>	<u>119,493</u>	<u>60,973</u>
TRANSFERS OUT					
Capital projects funds	232,067	1,000	233,067	233,067	-
Total	<u>232,067</u>	<u>1,000</u>	<u>233,067</u>	<u>233,067</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ 5,966,065</u>	<u>\$ 1,264</u>	<u>\$ 5,967,329</u>	<u>\$ 5,712,838</u>	<u>\$ 254,491</u>

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

## TOWN OF WARREN, MAINE

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS  
AS OF JUNE 30, 2016

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 106,659	\$ 494,585	\$ 95,259	\$ 696,503
Investments	-	-	1,854,233	1,854,233
Due from other funds	45,273	367,501	-	412,774
<b>TOTAL ASSETS</b>	<b>\$ 151,932</b>	<b>\$ 862,086</b>	<b>\$ 1,949,492</b>	<b>\$ 2,963,510</b>
<b>LIABILITIES</b>				
Due to other funds	\$ 9,798	\$ 261,935	\$ -	\$ 271,733
<b>TOTAL LIABILITIES</b>	<b>9,798</b>	<b>261,935</b>	<b>-</b>	<b>271,733</b>
<b>FUND BALANCES (DEFICITS)</b>				
Nonspendable	-	-	-	-
Restricted	-	-	1,949,492	1,949,492
Committed	142,134	600,584	-	742,718
Assigned	-	-	-	-
Unassigned	-	(433)	-	(433)
<b>TOTAL FUND BALANCES (DEFICITS)</b>	<b>142,134</b>	<b>600,151</b>	<b>1,949,492</b>	<b>2,691,777</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 151,932</b>	<b>\$ 862,086</b>	<b>\$ 1,949,492</b>	<b>\$ 2,963,510</b>

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

## TOWN OF WARREN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE – NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2016

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
<b>REVENUES</b>				
Investment income, net of unrealized gains/(losses)	\$ 136	\$ 1,095	\$ 229,347	\$ 230,578
Other	17,474	102,850	1,644	121,968
<b>TOTAL REVENUES</b>	<u>17,610</u>	<u>90,381</u>	<u>230,991</u>	<u>352,546</u>
<b>EXPENDITURES</b>				
Other	28,193	659,054	27,038	714,285
<b>TOTAL EXPENDITURES</b>	<u>28,193</u>	<u>659,054</u>	<u>27,038</u>	<u>714,285</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(10,583)</u>	<u>(555,109)</u>	<u>203,953</u>	<u>(361,739)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	1,500	264,859	-	266,359
Transfers (out)	-	(33,292)	-	(33,292)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>1,500</u>	<u>231,567</u>	<u>-</u>	<u>233,067</u>
<b>NET CHANGE IN FUND BALANCES</b>	(9,083)	(323,542)	203,953	(128,672)
<b>FUND BALANCES - (DEFICITS) JULY 1</b>	<u>151,217</u>	<u>923,693</u>	<u>1,745,539</u>	<u>2,820,449</u>
<b>FUND BALANCES - (DEFICITS) JUNE 30</b>	<u>\$ 142,134</u>	<u>\$ 600,151</u>	<u>\$ 1,949,492</u>	<u>\$ 2,691,777</u>

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TOWN OF WARREN, ME  
RESERVES / TRUST MANAGEMENT  
FOR THE YEAR ENDING JUNE 30, 2016

FUND / RESERVE NAME	BEGINNING BALANCE	ADDITIONS			DEDUCTIONS		FEES	ENDING BALANCE
		ADDITIONS	MRK VALUE	INTEREST	DISTRIBUTIONS	TRANSFERS		
SARA HILT ENDOWMENT	66,140.70	-	6,669.55	1,946.77	346.19	2,650.00	117.37	71,643.46
EDWARD LEMKE	5,060.98	-	510.59	149.01	26.49	200.00	8.99	5,485.10
F&G ROWE	105,594.46	-	10,642.20	3,107.13	552.65	4,300.00	187.25	114,303.89
P&B BRYON ROBINSON	55,062.92	-	5,552.99	1,620.89	288.22	2,200.00	97.73	59,650.85
WARREN DAY SCHOLARSHIP	16,764.64	-	1,690.24	493.39	87.73	675.00	29.75	18,155.79
CYRUS EATON	804,873.90	-	81,456.27	23,738.88	4,217.36	28,889.00	1,434.33	875,528.36
LELAND E. OVERLOCK	11,118.60	-	1,141.80	330.60	58.45	200.00	20.17	12,312.38
MOODY BLAKE FUND	165,604.92	-	16,672.19	4,794.54	838.51	-	299.32	185,933.82
FAIRVIEW	11,927.19	-	1,194.45	343.24	60.06	75.00	21.42	13,308.40
COUNCE	10,157.99	-	1,022.65	294.08	51.41	-	18.37	11,404.94
LEONARD	4,549.68	-	458.04	131.71	23.04	-	8.22	5,108.17
RIVERVIEW	31,878.12	-	3,209.31	922.86	161.40	-	57.61	35,791.28
SAWYER	15,253.08	1,450.00	1,560.85	449.76	78.56	-	28.11	18,607.02
STARRETT	17,510.11	-	1,762.82	508.69	90.44	-	31.65	19,659.53
ALDEN WATTS	23,279.62	-	2,343.65	673.94	117.87	-	42.07	26,137.27
KATHERINE WALKER SKINNER	4,940.11	-	497.34	143.03	25.01	-	8.93	5,546.54
CEMETERY PERPETUAL CARE	1,047,664.60	1,250.00	105,490.81	30,335.53	5,305.64	140.00	1,893.94	1,177,401.36
MONTGOMERY TRUST	151,271.33	192.96	15,557.30	4,500.05	784.29	-	272.47	170,464.88
HENDRICKSON TRUST	185,513.62	-	19,066.36	5,515.92	961.54	-	333.81	208,800.55
IRA LIBBEY FUND	128,721.40	-	12,783.91	3,734.82	653.84	3,747.86	224.80	140,613.63
O' BRIEN TRUST	433,563.52	-	44,559.97	12,891.24	2,247.27	-	780.14	487,987.32
JOHN RICHARDSON	627,013.58	-	64,237.08	18,610.19	3,247.39	2,500.00	1,123.86	702,989.60
WARREN FREE LIBRARY	171,768.25	-	17,220.44	6,309.93	846.85	-	432.61	194,019.16
BENARD TEAGUE	121,763.11	-	12,514.35	3,620.41	631.12	-	219.10	137,047.65
RAYMOND VINAL	1,309.70	-	131.29	48.12	6.46	-	3.29	1,479.36
MISCELLANEOUS	2,300.43	-	(80.20)	135.33	10.43	-	143.84	2,201.29
<b>TOTALS</b>	<b>4,220,606.56</b>	<b>2,892.96</b>	<b>427,866.25</b>	<b>125,350.06</b>	<b>21,718.22</b>	<b>45,576.86</b>	<b>7,839.15</b>	<b>4,701,581.60</b>

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