

**TOWN OF BRADLEY, MAINE**

**INDEPENDENT AUDITORS' REPORT AND**  
**FINANCIAL STATEMENTS**

**JUNE 30, 2020**

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# Maine Municipal Audit Services, PA

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Mindy J. Cyr, CPA

## Independent Auditors' Report

To the Town Council  
Town of Bradley  
Bradley, Maine

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Town of Bradley, Maine, 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 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, each major fund, and the aggregate remaining fund information of the Town of Bradley, Maine, as of June 30, 2020, and the respective changes in financial position 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, schedule of changes in net OPEB liability and related ratios, and budgetary comparison schedule, on pages 5-8, 26, and 27 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 Bradley, Maine's basic financial statements. The combining and individual non-major fund financial statements, schedule of property valuation, and schedule of taxes receivable are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements, schedule of property valuation, and schedule of taxes receivable 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 non-major fund financial statements, schedule of property valuation, and schedule of taxes receivable are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Maine Municipal Audit Services, PA*

Levant, Maine  
October 13, 2020

# Town of Bradley



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165B Main Street  
Bradley Maine 04411  
Telephone 207-827-7725  
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## **Town of Bradley Management Discussion and Analysis Fiscal Year Ended June 30, 2020**

The following discussion is a brief overview and analysis of the financial situation of the Town of Bradley as documented in the annual financial statements for the year ending June 30, 2020. This information as well as the notes to the financial statements can be helpful when reading the Town's financial statements.

### **Financial Highlights**

- Total assets of the Town of Bradley exceeded its liabilities by \$2,942,101.00. The government-wide statement of activities showed an increase in net assets of \$125,086.00.
- The ending undesignated municipal fund balance is \$1,488,872.45. The ending designated municipal fund balance is \$108,865.00

### **Fiscal Year Highlights**

- The State of Maine recorded a total valuation for the Town of Bradley for the 2019 tax commitment as \$113,850,000; the Town of Bradley recorded a total valuation as \$127,401,913.
- The Regional School Unit Assessment/Appropriation for fiscal year ending June 30, 2019 was \$1,312,406.21. The balance of the Town of Bradley Education Surplus with Regional School Unit #34 for fiscal year ending June 30, 2020 was \$61,686.37.00.
- The voters authorized the removal of funds from the undesignated fund balance in an amount not to exceed \$30,000 to secure funds to be used as a 20% match for the Maine DOT Bicycle and Pedestrian Program. The Town Council applied to the program to rehabilitate the sidewalks in the Village District. Maine DOT did not fund any projects in 2019-2020. Further examination of the project concluded a much higher price, therefore a much higher 20% match, upwards of \$61,600. Due to this increase the Town Council has suspended this project.

### **Overview of the Financial Statements**

This discussion and analysis are intended to serve as an introduction to the Town of Bradley's basic financial statements. The Town of Bradley's basic financial statements consist of three components: 1) *government-wide financial statements*, 2) *fund financial statements* and 3) *notes to the financial statements*. The basic financial statements present two different views of the Town of Bradley using government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the readers understanding of the financial condition of the Town of Bradley.

## **Basic Financial Statements**

The first two statements in the basic financial statements are the *Government-wide Financial Statements*. They provide both short and long-term information about the Town of Bradley's financial status.

The next statements are *Fund Financial Statements*. These statements focus on the activities of the individual parts of the Town of Bradley's government. These statements provide more detail than the government-wide statements.

### ***Government-wide Financial Statements***

The government-wide financial statements are designed to provide the reader with a broad overview of the Town of Bradley finances, similar in format to a financial statement of a private-sector business. The *statement of net assets* presents information on all the Town of Bradley's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the Town of Bradley's financial position is improving or deteriorating. The *statement of activities* presents information showing how the Town of Bradley's net assets changed during the fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal years.

### ***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 Bradley, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the Town of Bradley can be divided into two categories: *governmental funds* and *fiduciary funds*.

***Governmental funds*** are used to account for essentially the same functions reported as government activities in the government-wide financial statements. Most of the Town of Bradley's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year end that will be available for spending in the future years.

***Fiduciary funds*** are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Town of Bradley's own programs.

***Notes to the Financial Statements*** provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

***Governmental Accounting Standards Board (GASB)*** is the source of generally accepted accounting principles used by state and local governments in the United States.

## Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Town of Bradley, assets exceeded liabilities by 2,942,101 at the close of the current fiscal year.

	<b>2020</b>	<b>2019</b>	<b>Change</b>
Assets	\$ 3,576,747.00	\$ 3,607,709.00	\$ (30,962.00)
Current & Non Current Liabilities	\$ (604,488.00)	\$ (767,539.00)	\$ 163,051.00
OPEB Liabilities	\$ (23,396.00)	\$ (16,529.00)	\$ (6,867.00)
OPEB Related Inflows	\$ (1,390.00)	\$ (1,612.00)	\$ 222.00
Prepaid Property Taxes	\$ (5,372.00)	\$ (5,014.00)	\$ (358.00)
Total Net Assets	\$ 2,942,101.00	\$ 2,817,015.00	\$ 125,086.00

The following schedule compares the revenues and expenses for the current and previous fiscal year:

	<b>2020</b>	<b>2019</b>	<b>Change</b>
Revenues	\$ 2,430,740.00	\$ 2,222,102.00	\$ 208,638.00
Expenses	\$ (2,305,654.00)	\$ (2,166,721.00)	\$ (138,933.00)
Rounding Adjustment		\$ 0.27	\$ (0.27)
Change in Net Assets	\$ 125,086.00	\$ 55,381.27	\$ 69,704.73
Beginning Net Assets	\$ 2,817,015.00	\$ 2,761,633.73	\$ 55,381.27
Change in Net Assets	\$ 125,086.00	\$ 55,381.27	\$ 69,704.73
Ending Net Assets	\$ 2,942,101.00	\$ 2,817,015.00	\$ 125,086.00

## General Fund Regulatory Highlights

The Town of Bradley adopts an annual budget for its general fund as required by the Town of Bradley Charter. The budget process begins in early February and is completed and approved for the annual June referendum in public hearing in May. The document incorporates input from the citizens, management, and the Town Council.

The Town of Bradley Town Charter has a self-imposed budget regulation which is summarized as a limitation in raising the net budget (expenses-revenues) by the amount of the Cost of Living Allowance (COLA). The Town Council may exceed this budget cap by a majority vote of the Town Council. Below is a summarized calculation for the fiscal year ending June 30, 2020:

2018-2019 Net Municipal Budget	\$ 475,522.00
2019 COLA amount	<u>2.80%</u>
Allowable 2019-2020 Net Budget	\$ 488,836.62
2019-2020 Net Budget	<u>\$ 499,381.00</u>
Over (Under) Budget Cap	\$ 10,544.38

The State of Maine enacted legislation known as LD1 in 2005, it is summarized as a limitation created using a standard growth factor of total personal income (figure provided by the State of Maine each year) and another factor created by using actual new property value (new construction, new personal property and newly created building lots). The limitation also considers overlay and state revenue factors. The budget for the fiscal year ending June 30, 2020 was \$9,815.13 over the State of Maine LD1 regulation. Below is a calculation for the current fiscal year:

1 2018-2019 Property Tax Limit		\$ 319,970.00
2 2019- 2020 Income Growth Factor	0.0277	
3 Property Growth Factor	<u>0.0112</u>	
4 LD1 Growth Factor	0.0389	
5 Add 1 to Growth Limitation	1.0389	
6 Adjusted State Revenue Sharing		
	6a R'd 18-19	\$ 67,456.00
	6b R'd 19-20	<u>\$ 77,824.00</u>
7 Gain / (Loss) in State Revenue Sharing		\$ 10,368.00
8 Municipal Revenue Sharing Gain		
8b Allowable Municipal Revenue Share Gain (6a x 5)	\$ 70,080.04	
8c Allowable Difference (6b - 8b)	\$ 7,743.96	
9 Municipal Property Tax Levy Limit (1 x 5)		\$ 332,416.83
10 Adjusted 2019 -2020 Property Tax Limit (9 -8c) or + Revenue Loss (7)		\$ 324,672.87
11 2019-2020 Municipal Appropriations -w/carryforwards	\$ 998,827.00	
12 2019-2020 Municipal Deductions -w/carryforwards	<u>\$ 664,339.00</u>	
12 2019-2020 Municipal Property Tax Levy (11-12)		\$ 334,488.00
13 Over (Under) LD1 Limit (11-12)		\$ 9,815.13

## Request for Information

This financial report is designed to provide a general overview of the Town of Bradley's finances for all those with an interest in this area. If you have questions about this report or need additional information, please contact me at the municipal office, 207-827-7725 or via e-mail, mladoane@townofbradley.net.

Sincerely,



**Town of Bradley, Maine**  
**Statement of Net Position**  
**June 30, 2020**

		<u>Total Governmental Activities</u>
<b>ASSETS:</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 1,086,731	
Investments	597,280	
Due from other governments	16,442	
Taxes receivable	49,921	
Tax liens receivable	17,469	
<i>Total current assets</i>		\$ 1,767,843
<b>Non-current assets:</b>		
Capital assets, net of accumulated depreciation	1,792,449	
Non-depreciable capital assets	5,212	
<i>Total non-current assets</i>		1,797,662
<b>Deferred outflows of resources:</b>		
OPEB related outflows	11,242	
<i>Total deferred outflows of resources</i>		11,242
<b>TOTAL ASSETS</b>		<b>\$ 3,576,747</b>
<b>LIABILITIES:</b>		
<b>Current liabilities:</b>		
Accounts payable	\$ 29,969	
Accrued interest expense	1,850	
Other current liabilities	7,455	
Current portion of long-term debt	63,519	
<i>Total current liabilities</i>		\$ 102,792
<b>Non-current liabilities:</b>		
Non-current portion of long-term debt:		
Bonds payable	501,696	
OPEB liabilities	23,396	
<i>Total non-current liabilities</i>		525,092
<b>TOTAL LIABILITIES</b>		<b>627,884</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>		
Prepaid property taxes	5,372	
OPEB related inflows	1,390	
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>		6,762
<b>NET POSITION:</b>		
Net investment in capital assets	1,232,447	
Restricted for:		
Endowments	1,095	
Permanent funds - <i>nonexpendable principal</i>	7,860	
Unrestricted	1,700,699	
<b>TOTAL NET POSITION</b>		<b>2,942,101</b>
<b>TOTAL LIABILITIES AND NET POSITION</b>		<b>\$ 3,576,747</b>

The accompanying notes are an integral part of this statement.

**Town of Bradley, Maine**  
**Statement of Activities**  
**For the Year Ended June 30, 2020**

	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government	
				Governmental Activities	Total
<i>Governmental activities:</i>					
General government	\$ 293,255	\$ 11,183	\$ -	\$ (282,072)	\$ (282,072)
Public safety	161,433	-	-	(161,433)	(161,433)
Public works	112,057	-	7,556	(104,501)	(104,501)
Health, sanitation, and welfare	122,339	-	470	(121,869)	(121,869)
Education	1,327,512	-	12,726	(1,314,786)	(1,314,786)
County tax	164,893	-	-	(164,893)	(164,893)
Interest expense	19,789	-	-	(19,789)	(19,789)
Other	10,061	-	735	(9,326)	(9,326)
Depreciation	126,985	-	-	(126,985)	(126,985)
<b>Total governmental activities</b>	<b>2,338,324</b>	<b>11,183</b>	<b>21,487</b>	<b>(2,305,654)</b>	<b>(2,305,654)</b>
<b>Total primary government</b>	<b>2,338,324</b>	<b>11,183</b>	<b>21,487</b>	<b>(2,305,654)</b>	<b>(2,305,654)</b>

<i>General revenues:</i>	
Property taxes, levied for general purposes	1,832,945
Excise taxes	306,611
Interest and lien fees	6,718
Licenses and permits	3,737
<i>Grants and contributions not restricted to specific programs:</i>	
Homestead exemption	63,292
State revenue sharing	106,323
Tree growth	23,644
Other	1,129
Unrestricted investment earnings (loss)	31,614
Post office lease	41,500
Miscellaneous revenues	13,228
<b>Total general revenues and transfers</b>	<b>2,430,740</b>
<b>Changes in net position</b>	<b>125,086</b>
<b>NET POSITION - BEGINNING</b>	<b>2,817,015</b>
<b>NET POSITION - ENDING</b>	<b>\$ 2,942,101</b>

The accompanying notes are an integral part of this statement.

Town of Bradley, Maine  
Balance Sheet  
Governmental Funds  
June 30, 2020

	General Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,086,731	\$ -	\$ 1,086,731
Investments	526,826	70,453	597,280
Due from other governments	16,442	-	16,442
Taxes receivable, net	49,921	-	49,921
Tax liens receivable	17,469	-	17,469
<b>TOTAL ASSETS</b>	<b>\$ 1,697,390</b>	<b>\$ 70,453</b>	<b>\$ 1,767,843</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<i>Liabilities:</i>			
Accounts payable	\$ 29,969	\$ -	\$ 29,969
Other accrued expenses	7,455	-	7,455
<i>Total liabilities</i>	<i>37,424</i>	<i>-</i>	<i>37,424</i>
<i>Deferred inflows of resources:</i>			
Prepaid property taxes	5,372	-	5,372
Deferred property tax revenue	53,912	-	53,912
<i>Total deferred inflows of resources</i>	<i>59,284</i>	<i>-</i>	<i>59,284</i>
<i>Fund balances:</i>			
<i>Non-spendable:</i>			
Endowments	1,095	-	1,095
Permanent funds - <i>nonexpendable principal</i>	-	7,860	7,860
Assigned - <i>see footnotes</i>	108,865	-	108,865
Unassigned	1,490,722	62,593	1,553,316
<i>Total fund balances</i>	<i>1,600,682</i>	<i>70,453</i>	<i>1,671,136</i>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 1,697,390</b>	<b>\$ 70,453</b>	
<i>Amounts reported for governmental activities in the statement of net position (Stmt. 1) are different because:</i>			
Depreciable and non-depreciable capital assets as reported in Stmt. 1			1,797,662
Long-term liabilities, including bonds payable, as reported on Stmt. 1			(565,215)
Accrued interest expense as reported on Stmt. 1			(1,850)
Deferred property taxes not reported on Stmt. 1			53,912
Deferred outflows of resources - OPEB related expenditures			11,242
Deferred inflows of resources - OPEB related inflows			(1,390)
OPEB liabilities			(23,396)
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>			<b>\$ 2,942,101</b>

The accompanying notes are an integral part of this statement.

**Town of Bradley, Maine**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2020**

	General Fund	Other Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>			
Property taxes	\$ 1,825,643	\$ -	\$ 1,825,643
Excise taxes	306,611	-	306,611
Intergovernmental revenue	215,874	-	215,874
Charges for services	11,183	-	11,183
Licenses and permits	3,737	-	3,737
Investment income	28,331	1,914	30,245
Interest and lien fees	6,718	-	6,718
Post office lease	41,500	-	41,500
Other revenue	13,228	-	13,228
<i>Total revenues</i>	2,452,825	1,914	2,454,739
<b>EXPENDITURES:</b>			
General government	289,611	-	289,611
Public safety	172,129	-	172,129
Public works	198,994	-	198,994
Health, sanitation, and welfare	122,339	-	122,339
Education	1,327,512	-	1,327,512
County tax	164,893	-	164,893
Debt service	81,950	-	81,950
Unclassified	9,661	400	10,061
<i>Total expenditures</i>	2,367,089	400	2,367,489
<i>Excess (deficiency) of revenues over (under) expenditures</i>	85,736	1,514	87,250
<b>OTHER FINANCING SOURCES (USES)</b>			
Unrealized gain (loss) on investments	-	1,369	1,369
<i>Total other financing sources (uses)</i>	-	1,369	1,369
<i>Net change in fund balances</i>	85,736	2,883	88,619
<b>FUND BALANCES - BEGINNING</b>	1,514,947	67,570	1,582,517
<b>FUND BALANCES - ENDING</b>	\$ 1,600,682	\$ 70,453	\$ 1,671,136

The accompanying notes are an integral part of this statement.

(Continued)

**Town of Bradley, Maine**  
**Reconciliation of the Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**For the Year Ended June 30, 2020**

<b>Net change in fund balances - total governmental funds (Statement 4)</b>	\$	88,619
<p>Amounts reported for governmental activities in the Statement of Activities (Stmt. 2) are different due to the following items:</p>		
Depreciation expense recorded on Statement of Activities, yet not required to be recorded as expenditures on Governmental Funds Report		(126,985)
Capital outlays expensed on the Governmental Funds Report (Stmt. 4), yet not considered an expense for the purposes of Statement of Activities (Stmt. 2)		104,190
Revenues in the Statement of Activities (Stmt 2) that do not provide current financial resources are not reported as revenues in the funds. More specifically, this amount represents the change in deferred property taxes and other deferred revenue.		7,302
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. More specifically, this represents the net amount of principal reduction in debt service made during the fiscal year.		61,176
Change in accrued interest expense as reported on the Statement of Net Position (Stmt. 1)		984
Disposal of fixed assets, not recognized for purposes of the fund statements		(6,557)
OPEB expenses under GASB #75 are not reported in the governmental fund statements		(3,644)
<hr/>		
<b>Changes in net position of governmental activities (see Stmt. 2)</b>	<b>\$</b>	<b>125,086</b>

The accompanying notes are an integral part of this statement.

**TOWN OF BRADLEY, MAINE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The Town of Bradley, Maine (the Town) was incorporated on February 3, 1835. The Town operates under a town council – town manager form of government and is incorporated under the laws of the State of Maine.

The accounting policies of the Town conform to U.S. generally accepted accounting principles (GAAP) as applicable to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

GASB Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – For State and Local Governments*, and its amendments, established new financial reporting requirements for governments and caused the Town to restructure much of the information presented in the past. The more significant of the government’s accounting policies are described below.

In evaluating how to define the Town for financial purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth in GASB Statement No. 14 *The Financial Reporting Entity* as amended by GASB Statement No. 39. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body’s ability to exercise oversight responsibility. Based on the criteria, it was determined that no other entities should be included in the Town’s financial statements.

**B. Basis of Presentation**

The Town’s basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town’s major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type.

Government-Wide Financial Statements

The Government-wide financial statements consist of a Statement of Net Position and a Statement of Activities and reports information on all of the non-fiduciary activities of the Town as a whole.

The Statement of Net Position reports all financial and capital resources of the Town and reports the difference between assets and liabilities, as “net position” not fund balance or equity. The Statement of Activities shows the degree to which the direct expenses of a given function or segment are offset by program revenue and reflects the “net (expense) revenue” of the Town’s individual functions before applying general revenues. The Town has elected not to allocate indirect costs among programs. Program revenues include 1) charges to customers for services and 2) grants and contributions that are restricted to meeting operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as general revenues.

**TOWN OF BRADLEY, MAINE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Basis of Presentation (Continued)**

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the Government-wide financial statements. The focus of governmental and proprietary fund financial statements is on major funds. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements, with non-major funds being aggregated and displayed in a single column. The General Fund is always a major fund.

Because of the basis of accounting and reporting differences, summary reconciliations to the Government-wide financial statements are presented at the end of each applicable fund financial statement.

**C. Measurement Focus and Basis of Accounting**

Governmental Fund Types

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

*Permanent Fund* – This fund is used to account for financial resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the governmental programs. A permanent fund would be used, for example, to account for the perpetual care endowment of a municipal cemetery.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting is a conceptual description of the timing of the accounting measurements made.

The Government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting in accordance with GASB #34. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the grantor have been met.

As a general rule, the effect of interfund activity has been eliminated from the Government-wide financial statements.

**TOWN OF BRADLEY, MAINE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Governmental Fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis concept, revenues are recognized when they become measurable (estimable as to the net amount to be collected) and available as current assets. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

When both restricted and unrestricted resources are available, it is the government's policy to use restricted resources first, and then unrestricted resources as they are needed.

**D. Budgets and Budgetary Accounting**

Formal budgetary accounting is employed as a management control for the general fund only. Annual operating budgets are adopted each fiscal year by the registered voters of the Town at their annual Town meeting. Budgets are established in accordance with generally accepted accounting principles. Budgetary control is exercised at the selectmen level, since individual department heads do not exist. All unencumbered budget appropriations lapse at the end of the year unless specifically designated by the Board of Selectmen or required by law.

**E. Assets, Liabilities, Fund Equity, Revenue, Expenditures and Expenses**

Cash and Cash Equivalents

Cash and cash equivalents include currency on hand, demand deposits with financial institutions, and other accounts with an original maturity of three months or less when purchased. Investments are recorded at fair value based on quoted market prices. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties.

Interfund Receivables and Payables

Short-term advances between funds are accounted for in the appropriate interfund receivable and payable accounts.

Capital Assets and Depreciation

Capital assets, which include property, plant, equipment and infrastructure assets (roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The Town defines capital assets as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical costs or estimated historical costs if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

**TOWN OF BRADLEY, MAINE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant, and equipment are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and Improvements	10-40
Infrastructure	20-35
Machinery and Equipment	5-10

**Net Position and Fund Balances**

In the Government-wide financial statements, the difference between the Town’s total assets and total liabilities represents net position. Net position displays three components – net investment in capital assets; restricted (distinguished between major categories of restrictions); and unrestricted. Restricted net position represents amounts that are constrained for specific purposes which are externally imposed by providers. Unrestricted net position represents the net assets available for future operations.

In the Fund financial statements, governmental funds report reservations of fund balances for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. These designations are categorized as follows:

*Non-spendable* – Funds that are not in spendable form, such as funds that are legally required to be maintained in tact (corpus of a permanent fund).

*Assigned* – Funds intended to be used for specific purposes set by the Town Council.

*Unassigned* – Funds available for any purpose.

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

**Deferred Revenue**

Deferred revenue arises when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Deferred revenue arises when resources are received by the Town before it has legal claim to them. In subsequent periods, when both revenue recognition criteria are met, or when the Town has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

**TOWN OF BRADLEY, MAINE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Property Taxes

Property taxes for the current year were committed on July 9, 2019, on the assessed value listed as of April 1, 2019, for all real and personal property located in the Town. Payment of taxes was due on September 27, 2019 and February 28, 2020, with interest at 9% on all tax bills unpaid as of the due date.

The Town is permitted by the laws of the State of Maine to levy taxes up to 105% of its net budgeted expenditures for the related fiscal period. The amount raised in excess of 100% is referred to as overlay and amounted to \$86,501 for the year ended June 30, 2020.

Tax liens are placed on real property within twelve months following the tax commitment date if taxes are delinquent. The Town has the authority to foreclose on property eighteen months after the filing of the lien if tax liens and associated costs remain unpaid.

Compensated Absences

The Town awards two weeks vacation for full time employees per year; sick time is earned .5 hours every month worked. Vacation time may be carried forward; sick time must be cashed-out at year-end. At June 30, 2020, accrued vacation time was \$7,443.

Risk Management

The Town pays insurance premiums to certain agencies to cover risks that may occur in normal operations. The Town purchases employee fidelity bond coverage. There have been no significant reductions in insurance coverage from the prior year. No settlements of claims have exceeded insurance coverage in the current year.

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

The Town is a member of the Maine Municipal Association – Property Casualty Pool (“Pool”). The Pool was created to obtain lower rates for its members. The Town pays an annual premium for its property and liability coverage. Under the property coverage portion of the Pool, coverage is provided, after the deductible is met, to \$1,253,769. Under the liability portion of the Pool, coverage is provided, after the deductible is met, to \$2,000,000.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Estimates are used to determine depreciation expense. Actual results could differ from those estimates.

**TOWN OF BRADLEY, MAINE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

**2. DEPOSITS AND INVESTMENTS**

Typically, the Town invests funds in checking accounts, savings accounts, certificates of deposit, and U.S. government obligations (through an investment group owned by a financial institution). From time to time the Town's deposits and investments may be subject to risks, such as the following:

Custodial Credit Risk – Deposits - the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town uses only financial institutions that are insured by the FDIC or additional insurance. At June 30, 2020, cash deposits had a carrying value of \$1,086,731, all of which was covered by FDIC or collateralized.

Interest Rate Risk – The Town does not currently have a deposit policy for interest rate risk.

Credit Risk – The Town does not have a formal policy regarding credit risk. Maine statutes authorize the Town to invest in obligations of the U.S. Treasury, and U.S. Agencies and certain bonds, securities and real assets.

Custodial Credit Risk – Investments – the risk that, in the event of failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have an investment policy. None of the Town's investments were subject to custodial credit risk.

At June 30, 2020, the Town's investment balances were as follows:

	Fair value	Less than one year	1-5 years	More than 5 years
<b>Cash &amp; cash equivalents</b>				
Federal obligations (Camden National Wealth Mgmt Money Market)	\$ 85,566	\$ 85,566	\$ 0	\$ 0
<b>Fixed income</b>				
Fixed, nonrated				
Apple Inc	27,585		27,585	
Coca-Cola Co	26,490		26,490	
Federal Farm Credit Bank	171,689		171,689	
Federal Home Loan Bank	78,176		78,176	
Federal Home Loan Mtg Corp	25,834		25,834	
Federal National Mortgage Assn	25,184	25,184		
Oracle Corp	25,427		25,427	
Qualcomm Inc	26,124		26,124	
United States Treasury Notes	105,205	25,445	79,760	
<b>Total Investments</b>	<b>\$ 597,280</b>	<b>\$ 136,195</b>	<b>\$ 461,085</b>	<b>\$ 0</b>

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All investments held by the Town are Level 1 inputs.

**TOWN OF BRADLEY, MAINE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

**3. CAPITAL ASSETS**

<b>Governmental activities:</b>	<b>Balance 7/1/19</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance 6/30/20</b>
Capital assets being depreciated:				
Land & improvements	\$ 18,132	\$ -	\$ -	\$ 18,132
Buildings & improvements	1,394,697	-	-	1,394,697
Equipment	781,186	10,696	(2,070)	789,812
Infrastructure	1,026,300	93,494	(65,464)	1,054,330
<hr/>				
Total capital assets	3,220,315	104,190	(67,534)	3,256,971
Less accumulated depreciation				
Land & improvements	(2,741)	(244)	-	(2,985)
Buildings & improvements	(276,194)	(16,513)	-	(292,708)
Equipment	(697,161)	(35,895)	1,863	(731,193)
Infrastructure	(417,004)	(74,333)	58,914	(432,423)
<hr/>				
Total accumulated depreciation	(1,393,100)	(126,985)	60,777	(1,459,309)
<hr/>				
<b>Governmental activities Capital assets, net</b>	<b>\$ 1,827,215</b>	<b>\$ (22,795)</b>	<b>\$ (6,757)</b>	<b>\$ 1,797,662</b>
	<hr/>			

Depreciation expense can be allocated to departments as follows:

Administration	\$ 4,163
Fire department	35,409
Public works	4,823
Highways	74,275
Post office	<u>8,315</u>
	<u>\$ 126,985</u>

**TOWN OF BRADLEY, MAINE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

**4. LONG-TERM DEBT**

Long-term liability activity for the year ended June 30, 2020, was as follows:

Description	Balance 7/1/19	Additions	(Reductions)	Balance 6/30/20
<b>Governmental activities:</b>				
General obligation bonds payable: Maine Municipal Bond Bank, 5.028%- 5.903%, municipal building dated May 25, 2000 payable in annual installments to 2020	\$ 19,843	\$ -	\$ (9,630)	\$ 10,213
Maine Municipal Bond Bank, 5.028%-5.903% post office dated May 25, 2000 payable in annual installments to 2020	51,592	-	(25,038)	26,554
People's United, fire station, 3.75%, dated September 15, 2009, refinanced June 2015, due 2035	554,955	-	(26,508)	528,447
<b>Total</b>	<b>\$ 626,390</b>	<b>\$ -</b>	<b>\$ (61,176)</b>	<b>\$ 565,214</b>

The annual future principal payment requirement for bonds payable outstanding as of June 30, 2020, is as follows:

Year ending June 30,	Governmental Activities Principal	Interest	Total
2021	\$ 63,519	\$ 22,250	\$ 85,769
2022	27,854	20,018	47,872
2023	29,002	18,823	47,825
2024	30,196	17,579	47,775
2025	31,441	16,283	47,724
2026-2030	177,734	60,039	237,773
2031-2035	<u>205,468</u>	<u>18,644</u>	<u>224,112</u>
<b>Total</b>	<b>\$ 565,214</b>	<b>\$ 173,636</b>	<b>\$ 738,850</b>

**TOWN OF BRADLEY, MAINE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

**5. ASSIGNED BALANCES**

The Town Council has the authority to assign amounts for specific future purposes. Approved assigned balances at June 30, 2020, consist of:

General government	\$ 48,440
Taxes/insurance	1,800
Public safety	5,000
Highways	45,000
Fire department	4,350
Community service	3,875
Health services	<u>400</u>
<b>Total</b>	<b><u>\$ 108,865</u></b>

**6. CONTINGENT LIABILITIES**

According to Town management, there are no matters that would result in adverse losses, claims, or assessments against the Town through the date of the audit report.

**7. SUBSEQUENT EVENTS**

Management has made an evaluation of subsequent events to and including the audit report date, which was the date the financial statements were available to be issued, and determined that any subsequent events that would require recognition or disclosure have been considered in the preparation of the financial statements.

**8. OPEB OBILIGATIONS**

*Plan Description*

The Town provides health insurance to its employees through Maine Municipal Employees Health Trust (MMEHT). The Town does not provide postemployment or postretirement health benefits, but it is subject to an implicit benefit for its members in MMEHT.

*Accounting Policies*

The impact of experience gains or losses and assumption changes on the Total OPEB Liability (TOL) are recognized in the OPEB expense over the average expected remaining life of all active and inactive members of the Plan. As of the beginning of the measurement period, this average was 7 years.

**TOWN OF BRADLEY, MAINE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

**8. OPEB OBLIGATIONS (CONTINUED)**

The table below shows changes in the change in Net OPEB Liability during the 2020 measurement year:

	Net OPEB Liability (a)	<i>Increase (Decrease)</i> Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
<b>Balances 1/1/2019 (Reporting 12/31/2019)</b>	\$ 16,529	\$ -	\$ 16,529
<b>Changes for the year:</b>			
Service cost	1,214	-	1,214
Interest	723	-	723
Changes of benefits	(469)	-	(469)
Differences between expected and actual experience	993	-	993
Changes of assumptions	4,619	-	4,619
Contributions – employer	-	213	(213)
Benefit payments	(213)	(213)	-
<b>Net changes</b>	<b>6,867</b>	<b>-</b>	<b>6,867</b>
<b>Balances 1/1/2020 (Reporting 12/31/2020)</b>	<b>\$ 23,396</b>	<b>\$ -</b>	<b>\$ 23,396</b>

The table below summarizes the current balances of deferred outflows and deferred inflows of resources along with the net recognition over the next 5 years, and thereafter:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 7,204	\$ -
Changes in assumptions	4,038	1,390
Net difference between projected & actual earnings on OPEB plan investments	-	-
<b>Total</b>	<b>\$ 11,242</b>	<b>\$ 1,390</b>

Amounts reported as deferred outflows and deferred inflows of resources will be recognized in OPEB expense as follows:

<b>Year ended June 30:</b>	
2021	2,176
2022	2,176
2023	2,176
2024	2,172
2025	570
Thereafter	800

As of January 1, 2020, the plan membership data is comprised of 3 active members with only an implicit benefit.

**TOWN OF BRADLEY, MAINE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

**8. OPEB OBLIGATIONS (CONTINUED)**

**Key Economic Assumptions:**

*Measurement date:* January 1, 2020  
*Discount rates:* 2.74% per annum for year end 2020 reporting  
4.10% per annum for year end 2019 reporting  
*Trend assumptions:* *Pre-Medicare Medical* – Initial trend of 8.50% applied in FYE 2020 grading over 20 years to 3.53% per annum.  
*Pre-Medicare Drug* – Initial trend of 8.75% applied in FYE 2020 grading over 20 years to 3.53% per annum.  
*Medicare Medical* – Initial trend of 5.00% applied in FYE 2020 grading over 20 years to 3.53% per annum.  
*Medicare Drug* – Initial trend of 8.75% applied in FYE 2020 grading over 20 years to 3.53% per annum.  
*Administrative and claims expense* – 3% per annum.

**Future Plan Changes**

It is assumed that the current plan and cost-sharing structure remains in place for all future years.

**Demographic Assumptions:**

*Retiree continuation:* Retirees who are current Medicare participants – 100%  
Retirees who are Pre-medicare, active participants – 75%  
Spouses who are Pre-medicare, spouse is active participant – 50%

*Rate of mortality:* Based on 104% and 120% of the RP-2014 Total Dataset Healthy Annuitant Mortality Table, respectively, for males and females, using the RP-2014 Total Dataset Employee Mortality Table for ages prior to start of the Healthy Annuitant Mortality Table, both projected from the 2006 base rates using the RPEC\_2015 model, with an ultimate rate of 0.85% for ages 20-85 grading down to an ultimate rate of 0% for ages 111-120, and convergence to the ultimate rate in the year 2020.

*Marriage assumptions:* A husband is assumed to be 3-years older than his wife.

*Assumed rate of retirement:* For employees hired prior to July 1, 2014  
Age 55-58 – 5%  
Age 59-64 – 20%  
Age 65-69 - 25%  
Age 70+ - 100%  
For employees hired after July 1, 2014  
Age 55-63 – 5%  
Age 64-69 – 20%  
Age 70+ - 100%

*Salary increases:* 2.75% per year

**TOWN OF BRADLEY, MAINE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

**8. OPEB OBILIGATIONS (CONTINUED)**

**Discount Rate**

The discount rate used to measure the TOL was 2.74% based on a measurement date of January 1, 2020. This rate is assumed to be an index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher, for pay as you go plans.

The following table shows how the net OPEB liability as of June 30, 2020 would change if the discount rate used was one percentage point lower or one percentage point higher than the current rate. The current rate is 2.74%.

1% Decrease 1.74%	Current Rate 2.74%	1% Increase 3.74%
\$ 27,340	\$ 23,396	\$ 20,164

Changes in the healthcare trend affect the measurement of the TOL. Lower healthcare trend rates produce a lower TOL and higher healthcare trend rates produce a higher TOL. The table below shows the sensitivity of the TOL to the healthcare trend rates.

1% Decrease	Healthcare Trend Rates	1% Increase
\$ 20,005	\$ 23,396	\$ 27,590

A 1% decrease in the healthcare trend rate decreases the NOL by approximately 14.5%. A 1% increase in the healthcare trend rate increases the NOL by approximately 17.9%.

**TOWN OF BRADLEY, MAINE**  
**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

Schedules of Required Supplementary Information start with one year of information as of the implementation of GASB No. 75, but eventually will build up to 10 years of information. The schedule below shows changes in total OPEB liability and related ratios required by GASB No. 75.

	FYE 2020	FYE 2019	FYE 2018
<b>Total OPEB Liability</b>			
Service cost (BOY)	\$ 1,214	\$ 1,331	\$ 240
Interest (includes interest on service cost)	723	608	189
Changes of benefit terms	(469)	0	0
Differences between expected and actual experience	993	0	11,120
Changes of assumptions	4,619	(1,642)	139
Benefit payments, including refunds of member contributions	(213)	(205)	0
<b>Net change in total OPEB liability</b>	<b>\$ 6,867</b>	<b>\$ 92</b>	<b>\$ 11,688</b>
<b>Total OPEB liability – beginning</b>	<b>\$ 16,529</b>	<b>\$ 16,437</b>	<b>\$ 4,749</b>
<b>Total OPEB liability – ending</b>	<b>\$ 23,396</b>	<b>\$ 16,529</b>	<b>\$ 16,437</b>
<b><u>Plan fiduciary net position</u></b>			
Contributions – employer	213	205	0
Contributions – member	0	0	0
Net investment income	0	0	0
Benefit payments, including refunds of member contributions	(213)	(205)	0
Administrative expenses	0	0	0
<b>Net change in plan fiduciary net position</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Plan fiduciary net position – beginning</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Plan fiduciary net position – ending</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net OPEB liability – endings</b>	<b>\$ 23,396</b>	<b>\$ 16,529</b>	<b>\$ 16,437</b>
Plan fiduciary net position as a percentage of the total OPEB liability	0.0%	0.0%	0.0%
Covered employee payroll	\$ 114,444	\$ 109,960	\$ 109,960
Net OPEB liability as a percentage of covered employee payroll	20.4%	15.0%	14.9%

**Town of Bradley, Maine  
General Fund  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget-
				Positive (negative)
<b>REVENUES:</b>				
Property taxes	\$ 1,834,546	\$ 1,834,546	\$ 1,825,643	\$ (8,903)
Excise taxes	302,000	302,000	306,611	4,611
Intergovernmental revenue	190,066	190,066	215,874	25,808
Charges for services	9,750	9,750	11,183	1,433
Licenses and permits	6,200	6,200	3,737	(2,463)
Investment income	8,300	8,300	28,331	20,031
Interest and lien fees	6,800	6,800	6,718	(82)
Post office lease	41,500	41,500	41,500	(0)
Other revenues	5,450	6,364	13,228	6,865
<i>Total revenues</i>	<u>2,404,613</u>	<u>2,405,526</u>	<u>2,452,825</u>	<u>47,299</u>
<b>EXPENDITURES:</b>				
General government	336,325	387,994	289,611	98,383
Public safety	181,377	183,062	172,129	10,932
Public works	249,950	345,450	198,994	146,456
Health, sanitation, and welfare	125,075	133,000	122,339	10,661
Education	1,314,906	1,314,906	1,327,512	(12,606)
County tax	164,893	164,893	164,893	-
Debt service	81,550	81,550	81,950	(400)
Unclassified	24,550	26,700	9,661	17,039
<i>Total expenditures</i>	<u>2,478,626</u>	<u>2,637,555</u>	<u>2,367,089</u>	<u>270,465</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(74,014)	(232,029)	85,736	317,765
<i>Net changes in fund balances</i>			85,736	
<b>FUND BALANCES - BEGINNING</b>			<u>1,514,947</u>	
<b>FUND BALANCES - ENDING</b>			<u>\$ 1,600,682</u>	

**Town of Bradley, Maine**  
**Combining Balance Sheet - All Other Non-Major Governmental Funds**  
**June 30, 2020**

	Permanent Funds	Total Non-Major Governmental Funds
<b>ASSETS:</b>		
Investments	\$ 70,453	\$ 70,453
<b>TOTAL ASSETS</b>	<b>\$ 70,453</b>	<b>\$ 70,453</b>
 <b>LIABILITIES AND FUND BALANCE:</b>		
<i>Fund Balance:</i>		
Non-spendable - reserved for endowments	\$ 7,860	\$ 7,860
Unassigned	62,593	62,593
<i>Total fund balance</i>	70,453	70,453
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 70,453</b>	<b>\$ 70,453</b>

**Town of Bradley, Maine**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**All Other Non-Major Governmental Funds**  
**For the Year Ended June 30, 2020**

	Permanent Funds	Total Non-Major Governmental Funds
<b>REVENUES:</b>		
Interest income	\$ 1,914	\$ 1,914
<i>Total revenues</i>	<u>1,914</u>	<u>1,914</u>
<b>EXPENDITURES:</b>		
Bank fees	400	400
<i>Total expenditures</i>	<u>400</u>	<u>400</u>
<b>EXCESS (DEFICIENCY OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>1,514</u>	<u>1,514</u>
<b>OTHER FINANCING SOURCES (USES) OF FUNDS:</b>		
Unrealized gain (loss) on investments	1,369	1,369
<i>Total other financing sources (uses)</i>	<u>1,369</u>	<u>1,369</u>
<i>NET CHANGE IN FUND BALANCES</i>	2,883	2,883
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>67,570</u>	<u>67,570</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 70,453</u></u>	<u><u>\$ 70,453</u></u>

**Town of Bradley, Maine**  
**Schedule of Property Valuation, Assessments, and Appropriations**  
**General Fund**  
**For the Year Ended June 30, 2020**

<i>Assessed Valuation:</i>	
Real estate valuation	\$ 122,643,600
Personal property valuation	<u>480,300</u>
<b>Total valuation</b>	<u>123,123,900</u>
 <i>Tax Commitment:</i>	
Tax assessment at \$14.90 per thousand	<u>1,834,546</u>
 <i>Reconciliation of Commitment with Appropriation:</i>	
Current year tax commitment, as above	1,834,546
Estimated revenues	<u>570,066</u>
<b>Appropriations per original budget</b>	<u>2,565,128</u>
 <i>Overlay</i>	 <u>(86,501)</u>
<b>TOTAL APPROPRIATIONS</b>	 <u><u>\$ 2,478,626</u></u>

**Town of Bradley, Maine**  
**Schedule of Taxes Receivable**  
**General Fund**  
**June 30, 2020**

<i>Taxes receivable:</i>			
Real	\$	49,315	
Personal property		<u>606</u>	
			\$ 49,921
 <i>Tax liens receivable:</i>			
2017		424	
2018		<u>17,046</u>	
			<u>17,469</u>
 <b>TOTAL TAXES RECEIVABLE AND TAX LIENS RECEIVABLE</b>			 <b><u>\$ 67,390</u></b>