

Annual Reports  
of the  
Officers  
of the  
Town of Hanover

for the year ending  
June 30, 2023

**The Annual Town Meeting will be held on  
Tuesday, October 24, 2023 at 5:30 pm at  
The Gem Theater  
48 Cross St.  
Bethel, ME**



*This report is dedicated*

*“In memory of the residents who  
passed away in 2022/2023”*

Annual Reports of Municipal Officers for the Period

July 1, 2022 through June 30, 2023

Town of Hanover

Settled in 1774

Set off from Bethel and together with Howard's Gore

Incorporated February 14, 1843

Population

1970 Census.....	275
1980 Census....	256
1990 Census.....	272
2000 Census.....	251
2010 Census.....	238
2020 Census.....	286

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# Town Officials

## Selectpersons, Assessors and Overseers of the Poor

Brenda Lee B. Gross Frank S. Morrison, Jr. James Barker

## Town Clerk, Tax Collector and Treasurer

Kelly Harrington

Note: Effective at the 2016 Town Meeting these positions are consolidated  
Into the single position

## Town Administrator

## Deputy Town Administrator

Elinor Andrews

### Registrar of Voters

Kelly Harrington

### Freedom of Access Act (FOAA)

Kelly Harrington

### RSU #10 Director

Vacant

### Plumbing Inspector

Richard Coulombe

### Health Officer

Brenda Gross

### Building Inspector/Code Enforcement Officer

Richard Coulombe

### Sexton

Kelly Harrington

### Planning Board

Dimitrios Handanos,  
John Bartash III, Bob Howe, Paul Taber  
Alternates: vacant

### Cemetery Committee

Select board

### Recreation Committee

Jane S. Goddard, Brian Gross  
Richard Arsenault

### Fire Warden

Kelly Harrington

### Civil Emergency Preparedness

Kelly Harrington

### Election Clerks

Laird Bean, Marilyn Difillipo

### Tree Warden

Brian W. Gross

### Election Warden

Kelly Harrington

### Sealer of Weights and Measures

Steve Giguere, State Appointment

### Auditor

Municipal Audit Services, PA  
233 South Levant Road  
Levant, Maine 04456

### Board of Appeals

John Booth, Jack Kuchta

Town Office:	Telephone	207-364-8200
	Fax	207-364-8222
	Email:	hanvoertownof@gmail.com

## Selectpersons' Report


Greetings to Hanover Residents and Taxpayers:


The reports contained herein reflect the financial activities of the Town and the audit of the Town's records. Your attention is directed to the "Management Discussion and Analysis" which highlights the financial health of the Town.

Please address any questions you may have to the Select Board.

Respectfully submitted,

  
**Brenda Lee B. Gross**  
(Term expires 2024)

  
**Frank S. Morrison, Jr.**  
(Term expires 2023)

  
**James Barker**  
(Term expires 2025)

**Board of Selectpersons**

*Senate of  
Maine  
Senate District 19*

*Senator Lisa Keim  
3 State House Station  
Augusta, ME 04333-0003  
(207) 287-1505  
[Lisa.Keim@legislature.maine.gov](mailto:Lisa.Keim@legislature.maine.gov)*

Dear Friends and Neighbors:

Thank you for the opportunity to serve as your State Senator. I am humbled by the trust you have placed in me to be a voice for you, your family, and our community in Augusta. I continue to work tirelessly on your behalf.

The First Regular and First Special Sessions of the 131<sup>st</sup> Maine State Legislature were notable as there were over 2,600 legislative bill requests and 2,019 of them were officially printed as Legislative Documents (LDs). No legislature this century has had as many LDs printed during its first year.

Promoting policies that empower people to build to a better future for themselves is always the focus of my work; in this era of diminishing personal liberty, restrictive regulations, and soaring costs, commonsense solutions have never been more essential.

We did find success in the Highway Fund. In the past, the Highway Fund has been supported through gasoline taxes, which have been declining for years due to more fuel-efficient and electric/hybrid vehicles, with a heavy reliance on bonds to fill the gap. However, we now have created a sustainable source of funding to maintain our transportation infrastructure by dedicating 40% of vehicle sales and use taxes collected by the Bureau of Motor Vehicles. This dedicated revenue stream is predicted to raise more than \$200 million for infrastructure each biennium and take us away from using borrowed money for basic upkeep.

The Second Regular Session begins in January 2024. I have heard from many of you regarding the biggest concerns you are facing, including increasing energy costs, child care, education, housing, inflation, child welfare, mental health and substance abuse, workforce development, and community safety, among others. As your State Senator, I will continue to advocate for you in Augusta.

Again, thank you for electing me to serve you in the State Senate. Please do not hesitate to reach out with your comments or questions, or if you would like assistance in navigating our state's bureaucracy. I look forward to hearing from you!

Sincerely,



Lisa Keim  
Senator, Maine State District 19  
1505 Main St. Dixfield, ME  
**Working Together for a Better Maine**

*Fax: (207) 287-1527 \* TTY (207) 287-1583 \* Message Service 1-800-423-6900 \* Web Site: [legislature.maine.gov/senate](http://legislature.maine.gov/senate)*



**Jared Golden**  
Congress of the United States  
2nd District of Maine

Dear Friends,

I hope this letter finds you safe and well. It's an honor to continue serving as your representative in Congress, and I take the responsibility very seriously. I appreciate the opportunity to update you on what I've been working on behalf of the people of the Second Congressional District.

In August, I voted for the *Inflation Reduction Act* because it represented a dramatic turnaround from misguided efforts to pass sweeping, ill-designed legislation that tried to accomplish too many things through budget gimmicks, setting up problematic fiscal cliffs in numerous programs and refusing to make the difficult decisions to allow for a fiscally responsible bill.

The *Inflation Reduction Act*, which was signed into law by the president, was fiscally responsible and targeted four key priorities: reducing our national debt and putting our country back on a more sustainable path, lowering the cost of prescription drugs, and making health care more affordable, investing in an all-of-the-above energy strategy to significantly increase oil, gas, and renewable energy production to lower energy costs for Americans, and cracking down on the tax avoidance of billion-dollar multinational corporations. This bill was the first major legislation in the last decade to use the reconciliation process to create a fiscally responsible budget to reduce deficits. The Congressional Budget Office estimated it would reduce deficits by approximately \$300 billion.

As a member of the House Armed Services Committee, I also helped pass the Fiscal Year 2023 National Defense Authorization Act, which among other things, included key wins for Bath shipbuilders, UMaine, and servicemembers and their families. For shipbuilders, the bill secured authorization for a third DDG-51 destroyer; established a new contract for up to 15 DDG-51 destroyers over the next five years, many of which will be built at Bath Iron Works; and included funding for shipyard infrastructure. The bill also authorized over \$25 million for defense research programs, including UMaine's large-scale manufacturing program. Finally, the bill authorized a 4.6% pay increase to help servicemembers and their families deal with rising costs due to inflation.

Additionally, at the end of 2022, Congress passed a spending bill to fund the government through September of 2023. The bill funds nearly \$27 million in funding for community projects across the Second Congressional District, a lifeline for our lobster industry that freezes any regulatory action for at least six years, and secures millions in additional funding for the Low Income Housing Energy Assistance Program (LIHEAP) to help Mainers heat their homes.

Regardless of the year, one of my top priorities is ensuring I'm accessible to you. My staff and I can help answer questions about and navigate federal programs; find resources in Maine; and resolve issues with Medicare, Social Security, the VA, and other federal agencies and programs. We are here to help:

- **Caribou Office:** 7 Hatch Drive, Suite 230, Caribou, ME 04736. Phone: (207) 492-6009
- **Lewiston Office:** 179 Lisbon Street, Lewiston, ME 04240. Phone: (207) 241-6767
- **Bangor Office:** 6 State Street, Suite 101, Bangor, ME 04401. Phone: (207) 249-7400

I look forward to building on momentum from recent legislative wins for Mainers and continuing to work on your behalf in 2023. Do not hesitate to reach out and voice an opinion on legislation, let us know about local events, or seek assistance navigating federal agencies or programs. It's an honor to represent you in Congress, and I wish you a healthy and prosperous year to come.

Respectfully,

Jared F. Golden  
Member of Congress

ANGUS S. KING, JR.  
MAINE

133 HART SENATE OFFICE BUILDING  
(202) 224-5344  
Website: <https://www.king.senate.gov>

## United States Senate

WASHINGTON, DC 20510

January 1, 2023

COMMITTEES  
ARMED SERVICES  
CHAIRMAN, STRATEGIC FORCES  
SUBCOMMITTEE  
BUDGET  
ENERGY AND  
NATURAL RESOURCES  
CHAIRMAN, NATIONAL PARKS  
SUBCOMMITTEE  
INTELLIGENCE  
RULES AND ADMINISTRATION

Dear Friends,

I've often thought that Maine is just one big small town connected by long roads. Well, in the past year or two, those roads have gotten steeper and bumpier as we dealt with an unprecedented pandemic and the resulting economic troubles.

As we faced the historic challenges, something impressive happened. We came together and lent a hand to our neighbors wherever we could to keep things running and spirits high.

Down in Washington, Congress tried to help Maine communities get through this struggle, so that our state would come out stronger. To do that, we put in the work and set some things into motion that are already helping Maine people. That's why you hired us, after all.

The pandemic made something we'd known for a while clear: those roads and networks that connect our big town needed repair, improvements, and expansion – from bridges to broadband. So, while Maine was uniting towards a common purpose, Congress came together to pass the *Bipartisan Infrastructure Law* – legislation that makes generational investments in physical infrastructure, broadband connections, harbors, and the energy grid. These efforts will lay the foundation for Maine's 21<sup>st</sup> century economy and make sure even the most rural areas aren't left behind.

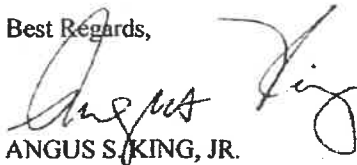
Over the last two years, as we drove up and down our state, you couldn't help but see storefronts in trouble and prices rising as the economy struggled through a global recession. And again, while you focused your efforts on getting through the difficult times, Congress took meaningful action. We passed the *American Rescue Plan* in 2021, which enabled Governor Mills and the state of Maine to better meet the health and economic difficulties of the pandemic. At a critical moment it expanded healthcare efforts to confront COVID and invested in the state to keep the economy in far better shape than most others nationwide.

Congress didn't stop there. This year, we took even more concrete steps to cut costs, create jobs, and provide more affordable, cleaner energy. The bipartisan *CHIPS Act* will bring home the manufacturing of the technical components known as "chips" that are used in everything these days – from smartphones to microwaves to cars – and in doing so reduce prices and create good American jobs. We also passed the *Inflation Reduction Act (IRA)* to lower healthcare costs, allow Medicare to negotiate drug prices, and cut energy bills with new rebates for things like heat pumps and solar panels.

Beyond these major investments, we also passed vital legislation to improve the day-to-day lives of Maine people and Americans nationwide. On a bipartisan basis, we expanded health care for veterans exposed to toxins, strengthened protections for marriage equality, supported Ukraine as it fought off a bloody Russian invasion, secured our elections and the peaceful transfer of power, and delivered millions in federal investments to projects up and down our state.

So, as Maine worked to get through hard times, Congress took steps to support our state – and we're already starting to see brighter days ahead. I'm proud to have played a small part down here; it's a true privilege to listen to you, work with you, and build a brighter future for all the incredible people up and down the roads that connect our big small town. Mary and I wish you a happy, and safe 2023.

Best Regards,



ANGUS S. KING, JR.  
United States Senator

AUGUSTA  
40 Western Avenue, Suite 412  
Augusta, ME 04330  
(207) 622-8292

BANGOR  
202 Harlow Street, Suite 20350  
Bangor, ME 04401  
(207) 946-8000

BIDDEFORD  
227 Main Street  
Biddeford, ME 04005  
(207) 352-5215

PORTLAND  
1 Pleasant Street, Unit 4W  
Portland, ME 04101  
(207) 245-1565

PRESQUE ISLE  
167 Academy Street, Suite A  
Presque Isle, ME 04769  
(207) 764-6124

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**REPORT OF TAX COLLECTOR**

**2022/2023 Unpaid Taxes as of June 30, 2023**

2882 Main LLC	5,199.55	paid
Adams, Herbert	2,288.00	paid
Alford, Douglas	3,147.26	paid
Blake, Holly	542.14	paid
Bresette, Angela	2,028.81	paid
Brown, Robert A Estate of	1,168.65	
Brown, Stanley	926.10	
Brown, Stanley	530.67	paid
Buchanan, Thomas, Trust F/B/O	1,257.67	paid
Connery, Patrick	238.14	paid
Connery, Patrick	18.52	paid
Davis, Margaret	88.20	paid
Donegan, Katherine	3,432.14	paid
Fiske, John H & Jeanne M	977.37	paid
Funes, Marisela	1,416.15	
Gould, David Scott Living Trust	5.59	paid
Gross, William	2,096.35	paid
Harding, Glen	596.67	paid
Hludlk, Jason	1,671.02	paid
Howe, Christopher	632.23	
Howe, Christopher	164.54	
Howe, Geoffrey S, Trustee	2,048.58	paid
Howe's, Gordie, Inc	2,151.95	
Jonaitis, Louise	652.53	
Khan, Sara W	1,614.65	paid
Kohut, William	725.71	paid
Kohut, William	4,440.25	paid
Laskey, Holdings LLC	1,416.15	paid
Little Hayseed Farm LLC	2,492.36	paid
MacMullen, Gary & Eleanor, Trustees	2,164.43	paid
Parent, Gail	2,871.38	paid
Pennery, Arnold & Chris	1,588.64	paid
Silva, Karen & Benson, David H	928.58	paid
Sladovich, Douglas	578.94	paid
Stowell, Rhonda	27.93	paid
Swan, Bruce	2,226.56	paid
Tirrell, Jenny L	398.74	paid
Wajda, John W	504.42	paid
Welcome, Thomas	441.00	paid
	<u>55,698.57</u>	

**2021/2022 Taxes as of June 30, 2023**

Brown, Robert A Estate of	1172.63
Jonaitis, Louise	<u>654.75</u>
	1,827.38

**2020/2021 Taxes as of June 30, 2023**

Jonaitis, Louise	<u>654.75</u>
	654.75

Reflects Payments through Oct. 17th

# Report of Assessors

Year Ended June 30, 2023

## Tax Book Summary (April 1, 2022)

### Property Assessed Value

Land	26,458,874
Building	25,299,138
Personal Property	137,116
Total	51,895,128

Homestead Exemption	(2,294,000)
Veterans Exemption	(84,000)

Total Taxable Value	49,517,128
Property Tax Rate	<u>0.01470</u>
Tax Assessment	\$727,902

**Cemetery Trust Funds**  
For the Year Ending June 30, 2023

**Cemetery Trust General Fund**

Principal Balance, June 30, 2022	\$ 800.00
Interest on deposit, June 30, 2022	\$ 72.48
Interest earned	3.47
Balance, June 30, 2023	<u>\$ 875.95</u>

**Charles P. Bartlett Fund**

Principal Balance, June 30, 2022	\$ 5,000.00
Interest on deposit, June 30, 2022	788.75
Interest earned	23.03
Balance, June 30, 2023	<u>\$ 5,811.78</u>

**Stephen & Elhanan Bartlett Fund**

Principal Balance, June 30, 2022	\$ 500.00
Interest on deposit, June 30, 2022	321.69
Interest earned	3.27
Balance, June 30, 2023	<u>\$ 824.96</u>

**Eva Haywood Fund**

Principal Balance, June 30, 2022	\$ 150.00
Interest on deposit, June 30, 2022	342.89
Interest earned	1.96
Balance, June 30, 2023	<u>\$ 494.85</u>

**Adelaide Smith Fund**

Principal Balance, June 30, 2022	\$ 200.00
Interest on deposit, June 30, 2022	157.10
Interest earned	1.42
Balance, June 30, 2023	<u>\$ 358.52</u>

**W.C. and Fannie Holt Fund**

Principal Balance, June 30, 2022	\$ 150.00
Interest on deposit, June 30, 2022	342.86
Interest earned	1.96
Balance, June 30, 2023	<u>\$ 494.82</u>

**Elnora Wight Fund**

Principal Balance, June 30, 2022	\$ 100.00
Interest on deposit, June 30, 2022	157.03
Interest earned	1.02
Balance, June 30, 2023	<u>\$ 258.05</u>

**Orlando P. Russell, Phil & Gladys  
Redmond & Russell-Worcester Fund**

Principal Balance, June 30, 2022	\$ 600.00
Interest on deposit, June 30, 2022	390.68
Interest earned	3.94
Balance, June 30, 2023	<u>\$ 994.62</u>

**Wilbur & Mary Sanford Fund**

Principal Balance, June 30, 2022	\$ 400.00
Interest on deposit, June 30, 2022	320.35
Interest earned	2.87
Balance, June 30, 2023	<u>\$ 723.22</u>

**Worcester-Mills Fund**

Principal Balance, June 30, 2022	\$ 100.00
Interest on deposit, June 30, 2022	195.77
Interest earned	1.18
Balance, June 30, 2023	<u>\$ 296.95</u>

**Norman & Hazel Ferguson Fund**

Principal Balance, June 30, 2022	\$ 1,000.00
Interest on deposit, June 30, 2022	599.25
Interest earned	6.36
Balance, June 30, 2023	<u>\$ 1,605.61</u>

**Summary**

<b>As of June 30, 2023</b>	
Principal all funds, June 30, 2023	\$ 9,000.00
Total Expendable Funds June 30, 2023	<u>\$ 3,739.33</u>
	<u>\$ 12,739.33</u>

## TOWN WARRANT

Oxford County, ss            Town of Hanover

To: Kelly Harrington, Town Clerk in the Town of Hanover, in the County of Oxford and State of Maine:

**GREETINGS**, In the name of the State of Maine, you are hereby required to notify and warn the voters of the Town of Hanover, in said County, qualified by law to vote in Town affairs, to meet at THE GEM THEATER, 48 Cross St, Bethel, Maine, on Tuesday the 24th day of October, AD, 2023, at 5:30 p.m., then and there to act on the following articles to wit:

- Article 1:**     To choose a Moderator for said meeting.
- Article 2:**     To choose one Selectperson for a three (3) year term
- Article 3:**     To choose officers for any vacancies that may exist.
- Article 4:**     To see if the Town will accept the reports of the town officers or to take action in regard to such reports.
- Article 5:**     To see if the Town will vote to continue the existing method of collecting taxes for the ensuing year. (Selectpersons recommend.)
- Article 6:**     To see if the Town will vote to authorize the Selectpersons to transfer the Auto Excise, Boat Excise, State Revenue Sharing Funds, Income from Temporary Investments, Interest on the Checking Account, Veteran's Reimbursement and Tree Growth Reimbursement to the Appropriations Account for the coming year.  
(Recommended by the Selectpersons for the reduction of the 2023 tax levy.)
- Article 7:**     To see if the Town will carry forward unexpended balances in the accounts so listed in Schedule E of the audited financial statements. (Selectpersons recommend.)
- Article 8:**     To see what sum the Town will vote to raise for Officers' Salaries, Employee's Payroll and Payroll Taxes for the coming year. (Selectpersons recommend \$44,493)
- Article 9:**     To see what sum the Town will vote to raise for Worker's Compensation Insurance. (Selectpersons recommend \$2,200.00)
- Article 10:**    To see what sum the Town will vote to raise for Public Liability, Property & Casualty Insurance. (Selectpersons recommend \$4,290.00)
- Article 11:**    To see what sum the Town will vote to raise for Appraising and Mapping. (Selectpersons recommend \$6,750.00)
- Article 12:**    To see what sum the Town will vote to raise for memberships in municipal organizations. (Selectpersons recommend \$2,782.00)
- Article 13:**    To see what sum the Town will vote to raise for the Code Enforcement Officer. (Selectpersons recommend \$4,300.00)

- Article 14:** To see what sum the Town will vote to raise for the Election Clerks. (Selectpersons recommend \$1000.00)
- Article 15:** To see what sum the Town will vote to raise for Office Expense. (Selectpersons recommend \$6,450.00)
- Article 16:** To see what sum the Town will vote to raise for Credit Card Fees. (Selectpersons recommend \$1,500.00)
- Article 17:** To see what sum the Town will vote to raise for Utilities. (Selectpersons recommend \$3,500.00)
- Article 18:** To see what sum the Town will vote to raise for Legal and Audit. (Selectpersons recommend \$5,000.00)
- Article 19:** To see what sum the Town will vote to raise for the Planning Board, other than stipends. (Selectpersons recommend \$100.00)
- Article 20:** To see what sum the Town will vote to raise for Fire Protection. (Selectpersons recommend \$15,000.00)
- Article 21:** To see what sum the Town will vote to raise for Town Roads and Bridges. (Selectpersons recommend \$45,000.00)
- Article 22:** To see what sum the Town will vote to raise for Street Lights. (Selectpersons recommend \$4,000.00)
- Article 23:** To see what sum the Town will vote to raise for General Assistance. (Selectpersons recommend \$100.00)
- Article 24:** To see what sum the Town will vote to raise to cover services available to the Town. (Selectpersons recommend \$3350.00)

<u>Health and Welfare Contributions</u>	<u>2023/2024</u>
Community Concepts	250
Rumford Public Library	250
Age-Friendly	250
Bethel Food Pantry	100
River Valley Chamber of Commerce	100
Maine Public Broadcasting Network	100
River Valley Healthy Communities	250
Seniors Plus	100
Androscoggin Home Care & Hospice	250
Hope Association	100
WWVC Channel 7	500
Sexual Assault Prevention & Response Services	100
Gardner Roberts Memorial Library	1,000
	<u>\$ 3,350</u>

- Article 25:** To see what sum the Town will vote to raise for Solid Waste Disposal. (Selectpersons recommend \$43,000.00)
- Article 26:** To see what sum the Town will vote to raise for Animal Control. (Selectpersons recommend \$550.00)
- Article 27:** To see what sum the Town will vote to raise for Ambulance Services. (Selectpersons recommend \$13,000.00)
- Article 28:** To see what sum the Town will vote to raise for Recreation. (Selectpersons recommend \$800.00)
- Article 29:** To see what sum the Town will vote to raise for Cemetery Maintenance. (Selectpersons recommend \$4,200.00)
- Article 30:** To see what sum the Town will vote to raise for County Tax. (Selectpersons recommend \$49,633.00)
- Article 31:** To see what sum the Town will vote to raise for Town Office Maintenance. (Selectpersons recommend \$0.00)
- Article 32:** To see what sum the Town will vote to raise for Town House Maintenance. (Selectpersons recommend \$450.00)
- Article 33:** To see what sum the Town will vote to raise for the Capital Projects Account in the anticipation of improvements to Town roads. (Selectpersons recommend \$25,000.00)
- Article 34:** To see if the Town will authorize the Treasurer, with the approval of the Selectpersons, to dispose of property acquired by the Town through the expiration of tax liens and to issue quit claim deeds for the disposal of said property.
- Article 35:** To see if the Town will vote to authorize the Municipal Officers to spend an amount not to exceed 4/12 of the 2023/2024 approved budget during the period July 1, 2024 to the 2024/2025 annual town meeting. (Selectpersons recommend)

Given under our hand at Hanover, the 10th day of October, A.D. 2023.

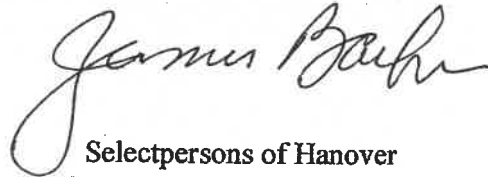
Brenda Lee B. Gross



Frank S. Morrison, Jr.



James Barker



Selectpersons of Hanover

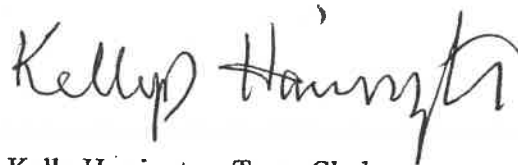
A true copy attest:

Kelly Harrington

State of Maine

Officer's Return

By virtue of the within warrant to me directed, I have duly warned and notified the voters of the Town of Hanover, qualified by law to vote in town affairs, to meet at the time and place and for the purpose within mentioned, by posting attested copies of the within warrant at the Hanover Town Hall, Hanover Town Office and the Gardner Memorial Library, the same being public and conspicuous places within said Town, on the 10th day October, A.D. 2023, the same being at least seven days before the time of said meeting.



Kelly Harrington, Town Clerk

**Town of Hanover Municipal Budget**

	<u>2022-2023</u> <u>Approved</u>	<u>2023-2024</u> <u>Proposed</u>
Officers Salaries		
1st Selectperson	3,750	3,750
2nd Selectperson	3,750	3,750
3rd Selectperson	3,750	3,750
Town Clerk & Deputy Clerk	} 25,108	} 29,243
Treasurer & Deputy Treasurer		
Tax Collector & Deputy Tax Collector		
Registrar of Voters & Deputy Reg. of Voters		
Planning Board Members and Alternates	1,000	1,000
Payroll, Other & Payroll Taxes	6,600	3,000
<b>Total Officers Salaries, Payroll and Payroll Taxes</b>	<b>43,958</b>	<b>44,493</b>
Workers' compensation insurance	2,830	2,200
Insurance-Public Officials' Liability, Property & Casualty	4,144	4,290
Appraisal & Mapping	6,250	6,750
Memberships	2,653	2,782
Code Enforcement Officer	4,300	4,300
Election Clerks	880	1,000
Office Expenses	6,450	6,450
Credit Card Fees	1,100	1,500
Utilities	3,300	3,500
Legal & Audit Fees	9,000	5,000
Planning Board Expenses	100	100
Fire protection	15,000	15,000
Town roads and bridges	45,000	45,000
Street lights	4,000	4,000
General assistance(welfare)	100	100
Health and welfare	3,350	3,350
Solid waste disposal	43,000	43,000
Animal Control	550	550
Ambulance services	13,000	13,000
Recreation	800	800
Cemetery Maintenance	3,200	4,200
County tax	47,779	49,633
Town House Maintenance	375	450
Town Office Maintenance	0	0
Capital Projects Fund	25,000	25,000
<b>Total Before Education</b>	<b>286,119</b>	<b>286,448</b>
Education	527,203	528,866
<b>Total appropriations</b>	<b>813,322</b>	<b>815,314</b>
<b>Education</b>		
Estimated Cost	527203	528866
Use of Carry Forward Balance	0	0
<b>Net Education appropriation</b>	<b>527,203</b>	<b>528,866</b>



**TOWN OF HANOVER, MAINE**  
**INDEPENDENT AUDITORS' REPORT AND**  
**FINANCIAL STATEMENTS**

**JUNE 30, 2023**

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# Maine Municipal Audit Services, PA

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Mindy J. Cyr, CPA

## Independent Auditors' Report

To the Select Board  
Town of Hanover  
Hanover, Maine

### OPINIONS

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Town of Hanover, Maine, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town of Hanover, Maine's basic financial statements as listed in the table of contents.

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 Hanover, Maine, as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### BASIS FOR OPINIONS

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Hanover, Maine, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

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

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

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

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PO Box 313, Levant, Maine 04456  
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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Town of Hanover, Maine's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Town of Hanover, Maine's ability to continue as a going concern for a reasonable period of time.

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

**REQUIRED SUPPLEMENTARY INFORMATION**

Management has omitted the management discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinions on the basic financial statements are not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule, on page 19 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**SUPPLEMENTARY INFORMATION**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Hanover, Maine's basic financial statements. The combining nonmajor fund financial statements, schedule of property valuation, assessments, and appropriations, and schedule of departmental operations are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or 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 nonmajor financial statements, schedule of property valuation, assessments, and appropriations, schedule of taxes receivable and schedule of departmental operations are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Maine Municipal Audit Services, PA*

Levant, Maine  
August 31, 2023

**Town of Hanover, Maine**  
**Statement of Net Position**  
**June 30, 2023**

		<u>Total Governmental Activities</u>
<b>ASSETS:</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 619,281	
Taxes receivable	57,702	
<b>Total current assets</b>		<u>676,983</u>
<b>Non-current assets:</b>		
Capital assets, net of accumulated depreciation	107,603	
<b>Total non-current assets</b>		<u>107,603</u>
<b>TOTAL ASSETS</b>		<u><u>\$ 784,586</u></u>
<b>LIABILITIES:</b>		
<b>Current liabilities:</b>		
Accounts payable	\$ 9,386	
<b>Total current liabilities</b>		<u>9,386</u>
<b>TOTAL LIABILITIES</b>		<u>9,386</u>
<b>NET POSITION:</b>		
Net investment in capital assets	107,602	
Restricted - <i>reserved for endowments</i>	9,000	
Unrestricted	658,597	
<b>TOTAL NET POSITION</b>		<u>775,200</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>		<u><u>\$ 784,586</u></u>

The accompanying notes are an integral part of this statement.

Town of Hanover, Maine  
Statement of Activities  
For the Year Ended June 30, 2023

	Program Revenues			Net (Expense) Revenue and Changes In Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions		Total Governmental Activities
<b>Governmental activities:</b>					
General government	\$ 112,468	\$ 7,912	\$ -	\$ -	(104,556)
Public safety	24,365	-	-	-	(24,365)
Public works	44,831	-	4,692	-	(40,139)
Health, sanitation and welfare	38,075	-	-	-	(38,075)
Education	527,202	-	-	-	(527,202)
County tax	47,779	-	-	-	(47,779)
Recreation	298	-	166	-	(133)
Cemeteries	3,394	-	-	-	(3,394)
Depreciation	18,022	-	-	-	(18,022)
<b>Total governmental activities</b>	<b>\$ 816,435</b>	<b>\$ 7,912</b>	<b>\$ 4,858</b>		<b>(803,665)</b>

<b>General revenues:</b>	
Property taxes, levied for general purposes	710,527
Excise taxes	71,634
<b>Grants and contributions not restricted to specific programs:</b>	
Homestead exemption	26,416
State revenue sharing	41,934
Tree growth	8,628
Other	427
Unrestricted investment earnings	1,860
Other income	16,457
<b>Total general revenues and transfers</b>	<b>877,882</b>
<b>Changes in net position</b>	<b>74,217</b>
<b>NET POSITION - BEGINNING</b>	<b>700,983</b>
<b>NET POSITION - ENDING</b>	<b>\$ 775,200</b>

The accompanying notes are an integral part of this statement.

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Town of Hanover, Maine  
Balance Sheet  
Governmental Funds  
June 30, 2023

	General Fund	MAJOR FUND			2023 Total Governmental Funds	2022 Total Governmental Funds
		Capital Projects Fund	Other Funds	Governmental Funds		
<b>ASSETS</b>						
Cash and cash equivalents	\$ 619,281	\$ -	\$ -	\$ -	\$ 619,281	\$ 544,405
Taxes receivable	57,702	-	-	-	57,702	75,011
Interfund receivables	-	92,088	12,724	-	104,812	79,494
<b>TOTAL ASSETS</b>	<b>\$ 676,983</b>	<b>\$ 92,088</b>	<b>\$ 12,724</b>	<b>\$ 781,795</b>	<b>\$ 698,910</b>	

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES

<i>Liabilities:</i>						
Accounts payable	\$ 9,386	\$ -	\$ -	\$ -	\$ 9,386	\$ 13,275
Interfund payables	104,812	-	-	-	104,812	79,494
<i>Total liabilities</i>	<i>114,198</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>114,198</i>	<i>92,769</i>
<i>Deferred inflows of resources:</i>						
Uncollected property taxes	46,560	-	-	-	46,560	60,008
<i>Total deferred inflows of resources</i>	<i>46,560</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>46,560</i>	<i>60,008</i>

<i>Fund balances:</i>						
Non-spendable - reserved for endowments	-	-	9,000	-	9,000	9,000
Assigned - see footnotes	44,731	92,088	3,724	-	140,543	152,342
Unassigned	471,495	-	-	-	471,495	384,791
<i>Total fund balances</i>	<i>516,226</i>	<i>92,088</i>	<i>12,724</i>	<i>-</i>	<i>621,037</i>	<i>546,133</i>

<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 676,983</b>	<b>\$ 92,088</b>	<b>\$ 12,724</b>	<b>\$ -</b>	<b>\$ 775,200</b>	<b>\$ 700,983</b>
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Amounts reported for governmental activities in the statement of net position (Stmt. 1) are different because:  
 Depreciable capital assets as reported in Statement 1 107,602 94,842  
 Deferred property taxes not reported on Statement 1 46,560 60,008

<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 775,200</b>	<b>\$ 700,983</b>
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Town of Hanover, Maine  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2023

	General Fund	MAJOR FUND Capital Projects Fund	Other Governmental Funds	2023 Total Governmental Funds	2022 Total Governmental Funds
<b>REVENUES:</b>					
Property taxes	\$ 723,975	\$ -	\$ -	723,975	\$ 690,750
Excise taxes	71,634	-	-	71,634	62,621
<i>Intergovernmental revenue:</i>					
State revenue sharing	41,934	-	-	41,934	29,656
LRAP	4,692	-	-	4,692	4,720
Homestead exemption	26,416	-	-	26,416	23,920
Tree growth	8,628	-	-	8,628	7,609
Other intergovernmental revenues	593	-	-	593	28,324
Interest income	1,542	267	51	1,860	1,528
Charges for services	7,912	-	-	7,912	7,570
Other revenue	16,457	-	-	16,457	31,721
<b>Total revenues</b>	<b>903,782</b>	<b>267</b>	<b>51</b>	<b>904,100</b>	<b>888,419</b>
<b>EXPENDITURES:</b>					
General government	112,468	-	-	112,468	81,894
Public safety	24,365	-	-	24,365	24,600
Public works	75,614	-	-	75,614	48,172
Health and sanitation	38,075	-	-	38,075	40,380
Education	527,202	-	-	527,202	523,983
County tax	47,779	-	-	47,779	46,123
Recreation	298	-	-	298	252
Cemeteries	3,394	-	-	3,394	4,023
<b>Total expenditures</b>	<b>829,195</b>	<b>-</b>	<b>-</b>	<b>829,195</b>	<b>769,427</b>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<i>74,587</i>	<i>267</i>	<i>51</i>	<i>74,904</i>	<i>118,992</i>
<b>OTHER FINANCING SOURCES (USES):</b>					
Operating transfers in	-	25,000	-	25,000	-
Operating transfers (out)	(25,000)	-	-	(25,000)	-
<i>Total other financing sources (uses)</i>	<i>(25,000)</i>	<i>25,000</i>	<i>-</i>	<i>-</i>	<i>-</i>
<b>Net change in fund balances</b>	<b>49,587</b>	<b>25,267</b>	<b>51</b>	<b>74,904</b>	<b>118,992</b>
<b>FUND BALANCES - BEGINNING</b>	<b>466,639</b>	<b>66,821</b>	<b>12,673</b>	<b>546,133</b>	<b>427,141</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 516,226</b>	<b>\$ 92,088</b>	<b>\$ 12,724</b>	<b>\$ 621,037</b>	<b>\$ 546,133</b>

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**Town of Hanover, 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, 2023**

<b>Net change in fund balances - total governmental funds (Statement 4 )</b>	\$	74,904
<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		(18,022)
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.		(13,448)
Capital outlays expensed on the Governmental Funds report (Stmt. 4), yet not considered an expense for the purposes of Statement of Activities (Stmt. 2)		30,783
<hr/>		
<b>Changes in net position of governmental activities (see Statement 2)</b>	<b>\$</b>	<b>74,217</b>

The accompanying notes are an integral part of this statement.

**TOWN OF HANOVER, MAINE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The Town of Hanover, Maine (the Town) was incorporated on February 14, 1843. The Town operates under a selectman 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.

The financial statements include those of the various departments governed by the Board of Selectmen and other officials with financial responsibility. The Town has no other separate organizational units, which meet criteria for inclusion in the financial statements as defined by GASB.

**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 presents the financial condition of the governmental and business-type (if applicable) activities of the Town at year end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the Town’s governmental and business-type (if applicable) activities. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants, and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Town. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the Town.

**TOWN OF HANOVER, MAINE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023**

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

**B. Basis of Presentation**

**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. Fund Accounting**

The Town uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The Town employs the use of three categories of funds: governmental, proprietary and fiduciary.

**Governmental Fund Types**

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and deferred outflows of resources, and liabilities and deferred inflows of resources, is reported as fund balance. The following are the Town's funds:

*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.

*Capital Projects Fund* – Capital projects funds are used to account for financial resources to be used for the acquisitions or construction of major capital facilities (other than those financed by proprietary funds).

*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.

**D. Measurement Focus**

***Government-Wide Financial Statements:***

The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of the Town are included on the Statement of Net Position.

**TOWN OF HANOVER, MAINE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023**

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

*Fund Financial Statements*

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

**E. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements, proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue and in the presentation of expenses versus expenditures.

**Revenues – Exchange and Non-Exchange Transactions**

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the Town, available means expected to be received within sixty days of year end.

Non-exchange transactions, in which the Town receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the Town must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the Town on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: property taxes, charges for services, and interest on investments.

**TOWN OF HANOVER, MAINE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023**

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

Licenses and permits and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received.

Grants and entitlements received before the eligibility requirements are met are recorded as advances from grantors. On governmental fund financial statements, property taxes receivable that will not be collected within the available period have been reported as deferred inflows of resources.

**Expenses/Expenditures**

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization are not recognized in governmental funds.

**F. 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 by department heads, town administration and the board of selectmen. All unencumbered budget appropriations lapse at the end of the year unless specifically designated by the Board of Selectmen or required by law.

**G. 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.

**Interfund Receivables and Payables**

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

**TOWN OF HANOVER, MAINE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023**

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

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. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 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 their acquisition value as of the date received. 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. 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	30
Infrastructure	20-50
Machinery and Equipment	5-10

Net Position and Fund Balances

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances on any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Unrestricted net position is the residual amount of the assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

The Town's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**TOWN OF HANOVER, MAINE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023**

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

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).

*Restricted* – Funds that are legally restricted by external parties or laws to be used for specific purposes.

*Committed* – Funds that can only be used for a specific purpose pursuant to constraints imposed by residents through voting for the articles proposed during a Town meeting. The constraints on these amounts may only be modified or rescinded by a vote of the residents at a Town meeting.

*Assigned* – Funds intended to be used for specific purposes set by the Board of Selectmen.

*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 expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, committed amounts should be reduced first, followed by assigned amounts and then unassigned amounts.

**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.

**Compensated Absences**

Vacation and sick pay benefits are substantially non-vesting and are not material. Therefore, no liability has been recorded in the financial statements for the year ended June 30, 2023.

**TOWN OF HANOVER, MAINE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023**

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

**Property Taxes**

Property taxes for the current year were committed on November 15, 2022, on the assessed value listed as of April 1, 2022, for all real and personal property located in the Town. Payment of taxes was due June 30, 2023, with interest at 4% 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 \$32,849 for the year ended June 30, 2023.

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.

**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.

**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.

**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, 2023, cash deposits had a carrying value of \$619,281, 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.



**TOWN OF HANOVER, MAINE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023**

**2. DEPOSITS AND INVESTMENTS**

*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, 2023, the Town had no funds invested.

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.

**3. CONTINGENCIES**

There may be various claims and suits pending against the Town, which arise in the normal course of the Town’s activities. 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.

**4. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2023, was as follows:

	Balance 7/1/22	Additions	Deletions	Balance 6/30/23
<b>Governmental activities:</b>				
<i>Capital assets being depreciated:</i>				
Building Improvements	\$ 31,452	\$ -	\$-	\$31,452
Equipment	14,465	-	-	14,465
Infrastructure	251,864	30,783	-	282,647
<i>Less accumulated depreciation:</i>				
Building Improvements	(20,991)	(1,048)	-	(22,039)
Equipment	(12,945)	(117)	-	(13,062)
Infrastructure	(169,002)	(16,857)	-	(185,859)
<b>Governmental activities - Net Capital Assets</b>	<b>\$ 94,843</b>	<b>\$ 12,761</b>	<b>\$ -</b>	<b>\$ 107,604</b>

**TOWN OF HANOVER, MAINE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023**

**5. FUND BALANCES**

The Board of Selectmen has the authority to assign amounts for specific future purposes. Approved assigned balances at June 30, 2023, consist of:

*General Fund:*

General assistance	\$ 1,998
Solid waste	15,630
Ambulance	13,019
Cemeteries	1,425
Animal control	608
Town office maintenance	<u>12,051</u>

\$ 44,731

*Capital Projects Fund:*

Road reserve	<u>\$ 92,088</u>
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*Permanent Fund:*

Cemeteries	<u>\$ 3,724</u>
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**6. 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.

Town of Hanover, Maine  
General Fund  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (negative)
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ 727,902	\$ 727,902	\$ 723,975	\$ (3,926)
Excise taxes	-	-	71,634	71,634
<i>Intergovernmental revenue:</i>				
State revenue sharing	23,650	23,650	41,934	18,284
Homestead exemption	24,617	24,617	26,416	1,799
Tree growth	-	-	8,628	8,628
LRAP	-	4,692	4,692	-
Other intergovernmental revenues	2	2	593	590
Interest income	-	-	1,542	1,542
Charges for services	-	5,700	7,912	2,212
Other revenues	-	-	16,457	16,457
<i>Total revenues</i>	<u>776,171</u>	<u>786,563</u>	<u>903,782</u>	<u>117,219</u>
<b>EXPENDITURES:</b>				
General government	85,340	127,701	112,468	15,233
Public safety	28,000	37,384	24,365	13,019
Public works	49,000	78,692	75,614	3,078
Health, sanitation and welfare	47,000	56,185	38,075	18,110
Education	527,203	527,203	527,202	1
County tax	47,779	47,779	47,779	-
Recreation	800	800	298	502
Cemeteries	3,200	4,819	3,394	1,425
<i>Total expenditures</i>	<u>788,322</u>	<u>880,562</u>	<u>829,195</u>	<u>51,367</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(12,151)</u>	<u>(93,999)</u>	<u>74,587</u>	<u>168,586</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating transfers (out)	(25,000)	(25,000)	(25,000)	-
<i>Total other financing sources</i>	<u>(25,000)</u>	<u>(25,000)</u>	<u>(25,000)</u>	<u>-</u>
<i>Net changes in fund balances</i>			49,587	
<b>FUND BALANCES - BEGINNING</b>			<u>466,639</u>	
<b>FUND BALANCES - ENDING</b>			<u>\$ 516,226</u>	

Schedule B

**Town of Hanover, Maine**  
**Combining Balance Sheet - All Other Non-Major Governmental Funds**  
**June 30, 2023**

	Permanent Funds		Total Other Governmental Funds
<b>ASSETS:</b>			
Due from General Fund	\$ 12,724	\$	12,724
<b>TOTAL ASSETS</b>	<b>\$ 12,724</b>	<b>\$</b>	<b>12,724</b>
<b>LIABILITIES AND FUND BALANCE:</b>			
<i>Fund Balance:</i>			
Non-spendable - reserved for endowments	\$ 9,000	\$	9,000
Assigned - cemeteries	3,724		3,724
<i>Total fund balance</i>	<u>12,724</u>		<u>12,724</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 12,724</b>	<b>\$</b>	<b>12,724</b>

Schedule C

Town of Hanover, Maine  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
 All Other Non-Major Governmental Funds  
 For the Year Ended June 30, 2023

	Permanent Funds	Total Other Governmental Funds
<b>REVENUES:</b>		
Interest Income	\$ 51	\$ 51
<i>Total revenues</i>	<u>51</u>	<u>51</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>51</u>	<u>51</u>
<b>FUND BALANCE - BEGINNING OF YEAR</b>	12,673	12,673
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 12,724</u>	<u>\$ 12,724</u>

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**Town of Hanover, Maine**  
**Schedule of Property Valuation, Assessment, and Appropriations**  
**General Fund**  
**For the Year Ended June 30, 2023**

<i>Assessed Valuation:</i>	
Real estate valuation	\$ 49,380,012
Personal property valuation	<u>137,116</u>
<i>Total valuation</i>	<u>49,517,128</u>
 <i>Tax Commitment:</i>	
Tax assessment at \$14.70 per thousand	<u>727,902</u>
 <i>Reconciliation of Commitment with Appropriation:</i>	
Current year tax commitment, as above	727,902
Estimated revenues	48,269
Budgeted transfers	(25,000)
Appropriated from fund balance	<u>70,000</u>
 Appropriations per original budget	 <u>821,171</u>
 Overlay	 <u>(32,849)</u>
 <b>TOTAL APPROPRIATIONS</b>	 <b><u>\$ 788,322</u></b>

Town of Hanover, Maine  
 Schedule of Departmental Operations  
 For the Year Ended June 30, 2023

	Balance 7/1/2022	Appropriations	Additional Appropriations	Total Available	Expenditures	Balances	
						Lapsed	Carried
<b>GENERAL GOVERNMENT</b>							
Officers' salaries and payroll taxes	\$ -	\$ 43,958	\$ -	\$ 43,958	\$ 45,764	\$ (1,806)	\$ -
Insurance	-	6,974	-	6,974	6,423	551	-
General government	-	6,450	-	6,450	9,326	(2,876)	-
Credit card fees	-	1,100	-	1,100	1,405	(305)	-
Appraising and mapping	-	6,250	-	6,250	6,750	(500)	-
Utilities	-	3,300	-	3,300	3,412	(112)	-
Election clerks	-	880	-	880	930	(50)	-
CEO	-	4,300	-	4,300	1,592	2,708	-
Legal/audit	-	9,000	-	9,000	3,400	5,600	-
Memberships	-	2,653	-	2,653	2,782	(129)	-
Town office maintenance	8,958	375	5,700	15,033	2,981	-	12,051
Planning board	-	100	-	100	-	100	-
ARPA funds	27,703	-	-	27,703	27,703	-	-
<i>Total</i>	<u>36,661</u>	<u>85,340</u>	<u>5,700</u>	<u>127,701</u>	<u>112,468</u>	<u>3,182</u>	<u>12,051</u>
<b>PUBLIC SAFETY</b>							
Fire protection	-	15,000	-	15,000	15,000	-	-
Ambulance	9,384	13,000	-	22,384	9,365	-	13,019
<i>Total</i>	<u>9,384</u>	<u>28,000</u>	<u>-</u>	<u>37,384</u>	<u>24,365</u>	<u>-</u>	<u>13,019</u>
<b>PUBLIC WORKS</b>							
Town roads	25,000	45,000	4,692	74,692	72,231	2,461	-
Street lights	-	4,000	-	4,000	3,383	617	-
<i>Total</i>	<u>25,000</u>	<u>49,000</u>	<u>4,692</u>	<u>78,692</u>	<u>75,614</u>	<u>3,078</u>	<u>-</u>
<b>HEALTH, SANITATION AND WELFARE</b>							
General assistance	2,662	100	-	2,762	765	-	1,998
Social agencies	-	3,350	-	3,350	3,476	(126)	-
Solid waste disposal	6,464	43,000	-	49,464	33,834	-	15,630
Animal control	58	550	-	608	-	-	608
<i>Total</i>	<u>9,185</u>	<u>47,000</u>	<u>-</u>	<u>56,185</u>	<u>38,075</u>	<u>(126)</u>	<u>18,236</u>
<b>EDUCATION</b>							
	-	527,203	-	527,203	527,202	1	-
<b>COUNTY TAX</b>							
	-	47,779	-	47,779	47,779	-	-
<b>RECREATION</b>							
	-	800	-	800	298	502	-
<b>CEMETERIES</b>							
	1,619	3,200	-	4,819	3,394	-	1,425
<b>TOTAL EXPENDITURES</b>	<b>\$ 81,848</b>	<b>\$ 788,322</b>	<b>\$ 10,392</b>	<b>\$ 880,562</b>	<b>\$ 829,195</b>	<b>\$ 6,636</b>	<b>\$ 44,731</b>

