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2014

## Town of Bucksport Annual Financial Report 2014

Bucksport, Me.

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Audited Financial Statements  
and Other Information

Town of Bucksport, Maine

June 30, 2014



*Proven Expertise and Integrity*

TOWN OF BUCKSPORT, MAINE

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JUNE 30, 2014

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## INDEPENDENT AUDITOR'S REPORT

Town Council  
Town of Bucksport  
Bucksport, Maine

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Town of Bucksport, Maine, as of and for the year ended June 30, 2014, 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 principle generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' 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 of 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, business-type activities, each major fund and the aggregate remaining fund information of the Town of Bucksport, Maine as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Other Matters

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 through 13 and 47 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 Bucksport, Maine's basic financial statements. The combining and individual non-major fund financial statements 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 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted

in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

*RHR Smith & Company*

Buxton, Maine  
August 15, 2014



**REQUIRED SUPPLEMENTARY INFORMATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2014**

**(UNAUDITED)**

The following management's discussion and analysis of the Town of Bucksport, Maine's financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2014. Please read it in conjunction with the Town's financial statements.

**Financial Statement Overview**

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

**Basic Financial Statements**

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

**Government-Wide Financial Statements**

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

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

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

Both of the above mentioned financial statements have separate columns for the two different types of town activities. The types of activities presented for the Town of Bucksport are:

- *Governmental activities* – The activities in this section are mostly supported by taxes and intergovernmental revenues (federal and state grants). Most of the Town's basic services are reported in governmental activities, which include general government, protection, public works, health and sanitation, education, recreation, community and social agencies, and other unclassified.
- *Business-type activities* – These activities are normally intended to recover all or a significant portion of their costs through user fees and/or charges to external users for goods and/or services. These activities for the Town of Bucksport include the sewer fund and the marina fund.

### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Bucksport, like other local governments uses fund accounting to ensure and demonstrate compliance with financial related legal requirements. All of the funds of the Town of Bucksport can be divided into two categories: governmental funds and proprietary funds.

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

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

reconciliations are presented on the page immediately following each governmental fund financial statement.

The Town of Bucksport presents only two columns in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances. The Town's major governmental fund is the general fund. All other funds are shown as nonmajor and are combined in the "All Nonmajor Funds" column on these statements.

The general fund is the only fund for which the Town legally adopted a budget. The Budgetary Comparison Schedule – Budgetary Basis – Budget and Actual – General Fund provides a comparison of the original and final budget and the actual expenditures for the current year.

*Proprietary Funds:* The Town of Bucksport maintains two proprietary funds, the sewer fund and the marina. This fund is used to show activities that operate more like those of commercial enterprises. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Like the government-wide financial statements, proprietary fund financial statements use the accrual basis of accounting. No reconciliation is needed between the government-wide financial statements for business-type activities and the proprietary fund financial statements.

### **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and the Fund Financial Statements. The Notes to Financial Statements can be found following the Statement of Cash Flows - Proprietary Funds.

### **Required Supplementary Information**

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

### **Other Supplementary Information**

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

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

Our analysis below focuses on the net position, and changes in net position of the Town's governmental activities. The Town's total net position for governmental activities increased by \$996,236 from \$22.06 million to \$23.06 million. For the business-type activities the Town's total net position increased by \$32,016 from \$4.80 million to \$4.83 million.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements - decreased for the governmental activities to a balance of \$11,227,120 at the end of the fiscal year. For the business-type activities, the unrestricted net position decreased to a balance of \$940,851.

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

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
<b>Assets:</b>				
Current Assets	\$ 12,261,130	\$ 12,017,055	\$ 948,244	\$ 952,731
Capital Assets	11,096,674	10,244,149	5,748,146	5,811,567
Other Assets	3,979,482	4,508,244	-	-
Total Assets	<u>27,337,286</u>	<u>26,769,448</u>	<u>6,696,390</u>	<u>6,764,298</u>
<b>Liabilities:</b>				
Current and Other Liabilities	977,459	891,053	108,083	107,318
Long-term Debt Outstanding	<u>3,290,696</u>	<u>3,806,120</u>	<u>1,755,064</u>	<u>1,855,753</u>
Total Liabilities	<u>4,268,155</u>	<u>4,697,173</u>	<u>1,863,147</u>	<u>1,963,071</u>
<b>Deferred Inflows of Resources:</b>				
Prepaid taxes	<u>7,694</u>	<u>7,074</u>	<u>-</u>	<u>-</u>
Total Deferred Inflows of Resources	<u>7,694</u>	<u>7,074</u>	<u>-</u>	<u>-</u>
<b>Net Position:</b>				
Net Investment in Capital Assets	11,096,674	10,244,149	3,892,392	3,856,121
Nonspendable - principal	140,198	63,223		
Restricted: General Fund	363,317	313,514	-	-
Special Revenue Funds	234,128	201,289	-	-
Unrestricted	<u>11,227,120</u>	<u>11,243,026</u>	<u>940,851</u>	<u>945,106</u>
Total Net Position	<u>\$ 23,061,437</u>	<u>\$ 22,065,201</u>	<u>\$ 4,833,243</u>	<u>\$ 4,801,227</u>

### Revenues and Expenses

Revenues for the Town's governmental activities increased by 7.78%, while total expenses increased by .60%. For the business-type activities, revenues increased by 30.44%, while total expenses increased by 5.96%.

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

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
<b>Revenues</b>				
<i>Programs Revenues:</i>				
Charges for services	\$ 718,995	\$ 688,818	\$ 639,078	\$ 545,191
Operating grants and contributions	78,491	298,795	-	-
Capital grants and contributions	-	564,041	79,345	-
<i>General Revenues:</i>				
Property taxes	9,771,021	9,121,294	-	-
Excise taxes	703,924	695,638	-	-
Grants and contributions not restricted to specific programs	2,151,564	1,182,383	-	-
Miscellaneous	467,382	338,120	10,982	13,984
Total Revenues	<u>13,891,377</u>	<u>12,889,089</u>	<u>729,405</u>	<u>559,175</u>
<b>Expenses</b>				
General government	1,481,495	1,250,016	-	-
Protection	1,681,337	1,574,302	-	-
Public works	1,015,553	1,182,905	-	-
Health and sanitation	304,959	872,732	-	-
Community and social agencies	142,518	154,137	-	-
Education	5,961,105	5,758,075	-	-
Environment & housing	84,825	-	-	-
Recreation	323,343	301,126	-	-
Cemeteries	10,752	5,532	-	-
Tax increment financing agreement	1,165,332	923,575	-	-
Interest on long-term debt	182,248	192,367	-	-
County tax	272,694	266,619	-	-
Capital outlay	(8,153)	212,486	-	-
Sewer fund	-	-	698,783	671,608
Marina	-	-	12,837	-
Unallocated depreciation (Note 4)	-	84,156	-	-
Unclassified	262,902	25,604	-	-
Total Expenses	<u>12,880,910</u>	<u>12,803,632</u>	<u>711,620</u>	<u>671,608</u>
Change in Net Position	<u>1,010,467</u>	<u>85,457</u>	<u>17,785</u>	<u>(112,433)</u>
Transfers	<u>(14,231)</u>	<u>(14,255)</u>	<u>14,231</u>	<u>14,255</u>
Net Position - July 1	<u>22,065,201</u>	<u>21,993,999</u>	<u>4,801,227</u>	<u>4,899,405</u>
Net Position - June 30	<u>\$ 23,061,437</u>	<u>\$ 22,065,201</u>	<u>\$ 4,833,243</u>	<u>\$ 4,801,227</u>

## Financial Analysis of the Town's Fund Statements

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

**Table 3**  
**Town of Bucksport, Maine**  
**Fund Balances - Governmental Funds**  
**June 30,**

	<u>2014</u>	<u>2013</u>
General Fund:		
Nonspendable	\$ 49,702	\$ 28,500
Restricted	363,317	313,514
Committed	537,993	624,331
Assigned	556,548	556,185
Unassigned	7,605,950	7,766,679
Total General Fund	<u>\$ 9,113,510</u>	<u>\$ 9,289,209</u>
Nonmajor Funds:		
Special revenue funds:		
Restricted	\$ 234,128	\$ 201,289
Assigned	387,907	346,468
Capital project funds:		
Committed	1,907,886	1,806,187
Assigned	96,154	93,879
Permanent funds:		
Nonspendable - principal	140,198	63,223
Assigned	84,993	60,126
Total Nonmajor Funds	<u>\$ 2,851,266</u>	<u>\$ 2,571,172</u>

The general fund total fund balance decreased by \$175,699 from the prior fiscal year. The non-major fund balances increased by \$280,094 from the prior fiscal year.

*Proprietary funds:* The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The sewer department had a decrease in net position for the year of \$67,476. The marina fund was established during 2014 and there is not any comparative data, but it did have a positive net position of \$99,492 at the end of the fiscal year.

## Budgetary Highlights

The significant differences between the original and final budget for the general fund were the inclusion of use of restricted, assigned and unassigned fund balances and various council-approved budget adjustments.

The general fund actual revenues were more than budget by \$182,014. This was mostly a result of excise taxes and charges for services being over budget.

The general fund actual expenditures were under budget by \$382,601. All of the expenditure categories were under budget.

## Capital Asset and Debt Administration

### Capital Assets

As of June 30, 2014, the net book value of capital assets recorded by the Town increased by \$789,104 from the prior year. The increase is the result of capital additions of \$1,820,784 less disposals of capital assets of \$12,988 and current year depreciation of \$1,018,692.

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

	<b>2014</b>	<b>2013</b>
Land	\$ 2,193,020	\$ 2,193,020
Construction in progress	1,793,543	753,545
Artwork	11,450	11,450
Buildings	3,692,949	3,802,259
Building improvements	1,225,481	1,289,632
Furniture and fixtures	3,020	3,097
Equipment	379,837	321,119
Vehicles	927,343	795,479
Infrastructure	6,618,177	6,886,115
Total	<u>\$ 16,844,820</u>	<u>\$ 16,055,716</u>

## **Debt**

At June 30, 2014, the Town had \$5.66 million in bonds outstanding versus \$6.28 million last year, a decrease of 9.80%. Other obligations include accrued sick and vacation time. Refer to Note 7 of Notes to Financial Statements for more detailed information.

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

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

Bucksport's financial performance and management of resources remains strong with thirteen consecutive general fund surpluses. The unassigned general fund balance decreased to \$7.58 million for the year ended June 30, 2014 from \$7.77 million for the same period in 2013 or a 2.37% decrease.

Fiscal 2014 budget expectations continued to support operational and program needs within LD-1 tax limitations despite continued economic constraints and flat local economy. Property taxes remained the largest source of revenue for the Town in fiscal 2014 at \$9,716,843, comprising approximately 73.2% of revenues. The Town's mil rate increased to \$13.56, an increase of \$.62 over the previous year rate of \$12.94. Components of the increase included increased educational costs of \$203,030 and reduced State of Maine revenue sharing of \$100,000. The Town's budget for fiscal 2014 was \$520,174 higher than fiscal 2013.

During 2013-14, total taxable valuations decreased by \$6,765,931. Verso was the biggest player in changes to the town's overall property valuation. The mill showed a year-over-year drop in value of about four million dollars. The loss in value is attributed to depreciation of newer equipment (\$10 million), retirement and transfers of equipment (\$1 million) and the removal of the remaining value of the B2 paper machine that was shut down two years ago (\$1 million). The \$12 million loss was mitigated by new equipment and construction (\$6 million) and trending for inflation (\$2 million) leaving the net of minus \$4 million. The Verso Energy plant (formerly Bucksport Energy) also showed a loss in value for depreciation of \$3.8 million bringing the total for the Verso complex to a loss of 7.8 million in value for the year.

There were, of course, many other additions and subtractions for improvements and deterioration to individual properties beyond Verso. As has been the custom since the last revaluation in 2008 there were no general adjustments made to real estate values for inflation or depreciation. The last ratio study from the Maine Revenue Service in June of 2013 has the developed parcels for Bucksport at 104%. The actual ratio has gotten a bit higher since then as housing prices have not risen as hoped. However, the developed parcel ratio is still within the allowed 10% window.

There were some other major losses in taxable value this year, including the Bangor Gas revaluation and the marina & Feldman property purchases as well as many smaller losses due to damage, deterioration and removal. These losses were mostly overcome by some significant additions including the Bangor Gas expansion, completion of a major electric transmission line project, a new cold storage business in



Heritage Park, four new homes, home improvements, additions, outbuildings and new personal property including a new clay coating vendor at the mill. Though both taxable Real Estate and taxable personal property totals are down, a significant increase in the BETE reimbursement for nontaxable personal property served to even out revenues for non-Verso properties.

These changes in residential and commercial valuations were submitted in the tax commitment for 7/1/14 and will be reflected in the Town's fiscal 2015 budget.

The Town's sewer department is separately funded with user fees. Fiscal 2014 operating costs increased approximately 4.2% when compared to fiscal 2013. Increases were incurred in expenses for capital asset purchases and maintenance and repair on existing facilities and equipment in the 2014 period. User fees increased approximately 15.2% for the twelve months ended June 30, 2014, over the 2013 period, resulting primarily from increasing the charge per 100 cubic feet of usage from \$3.67 to \$4.23. Despite the increase, the Town's user rates remain comparatively low when considering sewer rates statewide, based on a recent Maine Rural Water Association sewer rate survey. User rates will increase in fiscal 2015 due to the mandated construction of a secondary wastewater treatment plant.

To limit the Town's exposure to unforeseen cost and more specifically to provide an adequate level of funding in the event of a valuation loss from its largest taxpayer (Verso Paper), Bucksport adopted an Undesignated Fund Balance Policy in May of 2007. The Town's management designed the policy around maintaining a level of funding in Undesignated Fund Balance (surplus) that provides financial stability for the community into the near future, as Verso Paper's valuation accounts for approximately 53.0% of the Town's overall valuation. In addition, the policy will assist the Town in maintaining its current favorable bond rating and provide direction to the Town Manager during annual budget preparation. The policy requires that a surplus minimum be maintained equal to three months of the Town's total expenses (gross budget) plus an amount equal to three months of the annual taxes for Verso Paper. For example, if the Town's proposed gross budget is \$17,000,000 and the annual taxes for Verso Paper are \$4,140,000, then the minimum to retain in surplus would be \$5,285,000 calculated as follows:  $(\$17,000,000 \times 25\% = \$4,250,000) + (\$4,140,000 \times 25\% = \$1,035,000)$ . The Town maintained balances in excess of the required minimum level for the fiscal years ended 2014 and 2013 of \$3.07 million and \$3.44 million, respectively. The policy also includes a provision for the suggested utilization of excess funds on future capital improvements and/or accelerated payment of debt service.

On June 26, 2014, the Town Council approved a general fund budget for the period 7-1-2014 to 6-30-2015 totaling \$12,118,598, which reflects an increase of \$573,551 or 5.0%. The local portion of education costs totaled \$6,455,417, an increase of \$494,312 from the 2014 period. The 8.3% increase in educational costs and 1.5% wage and salary increase were the major components of the overall budget increase. The fiscal 2015 tax commitment (net of the Tax Increment Financing plan amount and overlay amount) totaled \$9,526,552, which reflected an increase of \$361,691 or 3.9%. The tax rate was set at 14.11 mills based on the total adjusted local valuation of \$681,845,600, which includes both the homestead and BETE valuation amounts. The

mil rate increased from the prior mil rate of 13.56 mils by .55 mils or 4.1% due to the local education appropriation increase of \$494,312 and 1.5% wage and salary increase.

On October 1, 2014, Verso officials revealed that the paper mill would stop making paper in December. The only function with plans to continue is the electric power generating plant on the property. It remains to be seen whether this will be a permanent closing of the paper making facility. While a buyer is being sought, town officials are planning for the worst. The mill and energy plant account for about 45% of the property tax income for the town for the 2014-15 tax year. More than \$250,000,000 could ultimately be removed from tax rolls for subsequent years, impacting the town's school and municipal budgets in various ways.

### **Contacting the Town's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, the Finance Director for the Town of Bucksport can be reached at P.O. Box X, Bucksport, Maine 04416, by phone at (207) 469-7368 or email address of [financedirector@bucksportmaine.gov](mailto:financedirector@bucksportmaine.gov).

## TOWN OF BUCKSPORT, MAINE

## STATEMENT OF NET POSITION

JUNE 30, 2014

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 1,934,064	\$ 4,864	\$ 1,938,928
Investments	9,873,924	501,154	10,375,078
Accounts receivable (net of allowance for uncollectibles):			
Taxes	6,559	-	6,559
Liens	251,836	-	251,836
Other	380,200	204,826	585,026
Inventory	11,612	1,745	13,357
Prepaid items	25,053	500	25,553
Tax acquired property	13,037	-	13,037
Internal balances	(235,155)	235,155	-
Total current assets	12,261,130	948,244	13,209,374
Noncurrent assets:			
Note receivable	173,324	-	173,324
Receivable for long-term debt obligations from RSU No. 25	3,806,158	-	3,806,158
Capital assets:			
Land, infrastructure, and other assets not being depreciated	3,019,671	978,342	3,998,013
Buildings and vehicles net of accumulated depreciation	8,077,003	4,769,804	12,846,807
Total noncurrent assets	15,076,156	5,748,146	20,824,302
<b>TOTAL ASSETS</b>	<b>\$ 27,337,286</b>	<b>\$ 6,696,390</b>	<b>\$ 34,033,676</b>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	\$ 176,485	\$ 4	\$ 176,489
Accrued payroll	60,374	-	60,374
Due to other governments	121	7,389	7,510
Current portion of long-term obligations	515,462	100,690	616,152
Total current liabilities	752,442	108,083	860,525
Noncurrent liabilities:			
Noncurrent portion of long-term obligations:			
Bonds payable	3,290,696	1,755,064	5,045,760
Accrued compensated absences	225,017	-	225,017
Total noncurrent liabilities	3,515,713	1,755,064	5,270,777
<b>TOTAL LIABILITIES</b>	<b>4,268,155</b>	<b>1,863,147</b>	<b>6,131,302</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Prepaid taxes	7,694	-	7,694
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>7,694</b>	<b>-</b>	<b>7,694</b>
<b>NET POSITION</b>			
Net investment in capital assets	11,096,674	3,892,392	14,989,066
Nonspendable - principal	140,198	-	140,198
Restricted	597,445	-	597,445
Unrestricted	11,227,120	940,851	12,167,971
<b>TOTAL NET POSITION</b>	<b>23,061,437</b>	<b>4,833,243</b>	<b>27,894,680</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<b>\$ 27,337,286</b>	<b>\$ 6,696,390</b>	<b>\$ 34,033,676</b>

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

## STATEMENT B

## TOWN OF BUCKSPORT, MAINE

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2014

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue & Changes in Net Position		
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Business- type Activities	Total
Governmental activities:							
General government	\$ 1,481,495	\$ 109,482	\$ 11,043	\$ -	\$ (1,360,970)	\$ -	\$ (1,360,970)
Protection	1,681,337	449,733	-	-	(1,231,604)	-	(1,231,604)
Public works	1,015,553	-	67,448	-	(948,105)	-	(948,105)
Health and sanitation	304,959	115,595	-	-	(189,364)	-	(189,364)
Community and social agencies	142,518	-	-	-	(142,518)	-	(142,518)
Education	5,961,105	-	-	-	(5,961,105)	-	(5,961,105)
Environment and housing	84,825	-	-	-	(84,825)	-	(84,825)
Recreation	323,343	44,185	-	-	(279,158)	-	(279,158)
Cemeteries	10,752	-	-	-	(10,752)	-	(10,752)
Tax increment financing agreement	1,165,332	-	-	-	(1,165,332)	-	(1,165,332)
Interest on long-term debt	182,248	-	-	-	(182,248)	-	(182,248)
County tax	272,694	-	-	-	(272,694)	-	(272,694)
Capital outlay	(8,153)	-	-	-	8,153	-	8,153
Unclassified	262,902	-	-	-	(262,902)	-	(262,902)
Total governmental activities	<u>12,880,910</u>	<u>718,995</u>	<u>78,491</u>	<u>-</u>	<u>(12,083,424)</u>	<u>-</u>	<u>(12,083,424)</u>
Business-type activities:							
Sewer fund	698,783	606,094	-	-	-	(92,689)	(92,689)
Marina	12,837	32,984	-	79,345	-	99,492	99,492
Total business-type activities	<u>711,620</u>	<u>639,078</u>	<u>-</u>	<u>79,345</u>	<u>-</u>	<u>6,803</u>	<u>6,803</u>
Total government	<u>\$ 13,592,530</u>	<u>\$ 1,358,073</u>	<u>\$ 78,491</u>	<u>\$ 79,345</u>	<u>(12,083,424)</u>	<u>6,803</u>	<u>(12,076,621)</u>

STATEMENT B (CONTINUED)

TOWN OF BUCKSPORT, MAINE

STATEMENT OF ACTIVITIES (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2014

	Governmental Activities	Business- type Activities	Totals
Changes in net position:			
Net (expense) revenue	<u>(12,083,424)</u>	<u>6,803</u>	<u>(12,076,621)</u>
General revenues:			
Taxes:			
Property taxes, levied for general purposes	9,771,021	-	9,771,021
Excise taxes	703,924	-	703,924
Grants and contributions not restricted to specific programs	2,151,564	-	2,151,564
Miscellaneous	467,382	10,982	478,364
Transfers	<u>(14,231)</u>	<u>14,231</u>	<u>-</u>
Total general revenues and transfers	<u>13,079,660</u>	<u>25,213</u>	<u>13,104,873</u>
Change in net position	996,236	32,016	1,028,252
NET POSITION - JULY 1	<u>22,065,201</u>	<u>4,801,227</u>	<u>26,866,428</u>
NET POSITION - JUNE 30	<u><u>\$ 23,061,437</u></u>	<u><u>\$ 4,833,243</u></u>	<u><u>\$ 27,894,680</u></u>

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

## STATEMENT C

## TOWN OF BUCKSPORT, MAINE

BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2014

	General Fund	All Nonmajor Funds	Totals Governmental Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,729,694	\$ 204,370	\$ 1,934,064
Investments	9,787,446	86,478	9,873,924
Accounts receivable (net of allowance for uncollectibles):			
Taxes	6,559	-	6,559
Liens	251,836	-	251,836
Other	331,900	48,300	380,200
Due from other funds	1,595	2,513,713	2,515,308
Inventory	11,612	-	11,612
Tax acquired property	13,037	-	13,037
Prepaid and other assets	25,053	-	25,053
Note receivable	173,324	-	173,324
<b>TOTAL ASSETS</b>	<u><u>\$ 12,332,056</u></u>	<u><u>\$ 2,852,861</u></u>	<u><u>\$ 15,184,917</u></u>
<b>LIABILITIES</b>			
Accounts payable	\$ 176,485	\$ -	\$ 176,485
Accrued payroll and related items	60,374	-	60,374
Due to other governments	121	-	121
Due to other funds	2,748,868	1,595	2,750,463
<b>TOTAL LIABILITIES</b>	<u><u>2,985,848</u></u>	<u><u>1,595</u></u>	<u><u>2,987,443</u></u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Prepaid taxes	7,694	-	7,694
Deferred tax revenues	225,004	-	225,004
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u><u>232,698</u></u>	<u><u>-</u></u>	<u><u>232,698</u></u>
<b>FUND BALANCES</b>			
Nonspendable	49,702	140,198	189,900
Restricted	363,317	234,128	597,445
Committed	537,993	1,907,886	2,445,879
Assigned	556,548	569,054	1,125,602
Unassigned	7,605,950	-	7,605,950
<b>TOTAL FUND BALANCES</b>	<u><u>9,113,510</u></u>	<u><u>2,851,266</u></u>	<u><u>11,964,776</u></u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u><u>\$ 12,332,056</u></u>	<u><u>\$ 2,852,861</u></u>	<u><u>\$ 15,184,917</u></u>

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

## TOWN OF BUCKSPORT, MAINE

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2014

	Total Governmental Funds
Total Fund Balances	\$ 11,964,776
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation	11,096,674
Long-term assets are not available in the current period and therefore are not reported as assets in the funds:	
Receivable for long-term debt obligations from RSU No. 25	3,806,158
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds shown above:	
Taxes and liens receivable	225,004
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Bonds payable	(3,806,158)
Accrued compensated absences	(225,017)
Net position of governmental activities	<u>\$ 23,061,437</u>

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

## TOWN OF BUCKSPORT, MAINE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2014

	General Fund	All Nonmajor Funds	Totals Governmental Funds
REVENUES			
Taxes:			
Property	\$ 9,716,843	\$ -	\$ 9,716,843
Excise	703,924	-	703,924
Intergovernmental	1,858,732	886,747	2,745,479
Charges for services	718,995	-	718,995
Miscellaneous revenues	275,383	191,999	467,382
TOTAL REVENUES	<u>13,273,877</u>	<u>1,078,746</u>	<u>14,352,623</u>
EXPENDITURES			
Current:			
General government	1,342,514	32,950	1,375,464
Protection	1,540,985	13,383	1,554,368
Public works	893,666	367	894,033
Health and sanitation	292,007	25	292,032
Community and social agencies	74,240	68,278	142,518
Education	5,961,105	-	5,961,105
Environment & housing	-	84,825	84,825
Recreation	215,448	33,459	248,907
Cemeteries	3,920	6,832	10,752
Tax increment financing agreement	1,165,332	-	1,165,332
County tax	272,694	-	272,694
Unclassified	262,902	-	262,902
Debt Service:			
Principal	515,424	-	515,424
Interest	182,248	-	182,248
Capital outlay	-	1,271,393	1,271,393
TOTAL EXPENDITURES	<u>12,722,485</u>	<u>1,511,512</u>	<u>14,233,997</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>551,392</u>	<u>(432,766)</u>	<u>118,626</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	4,500	748,666	753,166
Operating transfers (out)	(731,591)	(35,806)	(767,397)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(727,091)</u>	<u>712,860</u>	<u>(14,231)</u>
NET CHANGE IN FUND BALANCES	(175,699)	280,094	104,395
FUND BALANCES - JULY 1	<u>9,289,209</u>	<u>2,571,172</u>	<u>11,860,381</u>
FUND BALANCES - JUNE 30	<u>\$ 9,113,510</u>	<u>\$ 2,851,266</u>	<u>\$ 11,964,776</u>

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



## TOWN OF BUCKSPORT, 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, 2014

Net change in fund balances - total governmental funds (Statement E)	<u>\$ 104,395</u>
Amounts reported for governmental activities in the Statement of Activities (Statement B) are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense allocated to those expenditures over the life of the assets:	
Capital asset purchases	1,536,570
Capital asset disposals	(12,988)
Depreciation expense	<u>(671,057)</u>
	<u>852,525</u>
Revenues in the Statement of Activities that do not provide current financial resources are not reported.	
Taxes and liens receivable	<u>54,178</u>
Decrease in the receivable for long-term debt obligations from RSU No. 25	<u>(515,424)</u>
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position	<u>515,424</u>
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:	
Accrued compensated absences	<u>(14,862)</u>
Change in net position of governmental activities (Statement B)	<u>\$ 996,236</u>

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

## STATEMENT G

## TOWN OF BUCKSPORT, MAINE

BALANCE SHEET – PROPRIETARY FUNDS  
JUNE 30, 2014

	Enterprise Funds		
	Sewer Fund	Marina	Totals
ASSETS			
Current assets:			
Cash and cash equivalents	\$ -	\$ 4,864	\$ 4,864
Investments	501,154	-	501,154
Accounts receivable (net of allowance for uncollectibles)	203,928	898	204,826
Due from other funds	219,331	15,824	235,155
Inventory	-	1,745	1,745
Prepaid expenses	500	-	500
Total current assets	<u>924,913</u>	<u>23,331</u>	<u>948,244</u>
Noncurrent assets:			
Capital assets:			
Construction in progress	301,443	-	301,443
Land	676,899	-	676,899
Buildings	4,546,321	45,593	4,591,914
Building improvements	875,269	-	875,269
Furniture and fixtures	-	704	704
Infrastructure	5,645,073	25,813	5,670,886
Equipment	78,331	4,603	82,934
Vehicles	53,205	-	53,205
Total capital assets	<u>12,176,541</u>	<u>76,713</u>	<u>12,253,254</u>
Less: accumulated depreciation	<u>(6,504,560)</u>	<u>(548)</u>	<u>(6,505,108)</u>
Total noncurrent assets	<u>5,671,981</u>	<u>76,165</u>	<u>5,748,146</u>
TOTAL ASSETS	<u>\$ 6,596,894</u>	<u>\$ 99,496</u>	<u>6,696,390</u>
LIABILITIES AND NET POSITION			
Current liabilities:			
Accounts payable	\$ -	\$ 4	4
Accrued interest	7,389	-	7,389
Current portion of long-term liabilities	<u>100,690</u>	<u>-</u>	<u>100,690</u>
Total current liabilities	<u>108,079</u>	<u>4</u>	<u>108,083</u>
Long-term liabilities:			
Bonds payable, net of current portion	<u>1,755,064</u>	<u>-</u>	<u>1,755,064</u>
Total long-term liabilities	<u>1,755,064</u>	<u>-</u>	<u>1,755,064</u>
Total liabilities	<u>1,863,143</u>	<u>4</u>	<u>1,863,147</u>
NET POSITION			
Net investment in capital assets	3,816,227	76,165	3,892,392
Unrestricted	<u>917,524</u>	<u>23,327</u>	<u>940,851</u>
TOTAL NET POSITION	<u>4,733,751</u>	<u>99,492</u>	<u>4,833,243</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 6,596,894</u>	<u>\$ 99,496</u>	<u>6,696,390</u>

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

## TOWN OF BUCKSPORT, MAINE

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2014

	Enterprise Funds		Totals
	Sewer Fund	Marina	
OPERATING REVENUES			
Charges for services	\$ 606,094	\$ 32,984	\$ 639,078
Other	5,999	-	5,999
TOTAL OPERATING REVENUES	612,093	32,984	645,077
OPERATING EXPENSES			
Payroll	80,865	-	80,865
Supplies	48,713	5,728	54,441
Maintenance and repairs	19,047	2,437	21,484
Utilities	38,603	708	39,311
Depreciation	347,087	548	347,635
Contracted services	115,860	-	115,860
Other	23,851	3,416	27,267
TOTAL OPERATING EXPENSES	674,026	12,837	686,863
			-
OPERATING INCOME (LOSS)	(61,933)	20,147	(41,786)
NON-OPERATING INCOME (EXPENSE)			
Interest income	4,983	-	4,983
Interest expense	(24,757)	-	(24,757)
Capital contributions	-	79,345	79,345
Operating transfers in	15,412	-	15,412
Operating transfers (out)	(1,181)	-	(1,181)
TOTAL NON-OPERATING INCOME (EXPENSE)	(5,543)	79,345	73,802
CHANGE IN NET POSITION	(67,476)	99,492	32,016
NET POSITION - JULY 1	4,801,227	-	4,801,227
NET POSITION - JUNE 30	\$ 4,733,751	\$ 99,492	\$ 4,833,243

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

## STATEMENT I

## TOWN OF BUCKSPORT, MAINE

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2014

	Enterprise Funds		
	Sewer Fund	Marina	Totals
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers	\$ 573,118	\$ 30,341	\$ 603,459
Internal activity - receipts (payments) from/to other funds	71,037	(15,824)	55,213
Payments to suppliers	(246,810)	(12,285)	(259,095)
Payments to employees	(80,865)	-	(80,865)
Net cash provided by operating activities	316,480	2,232	318,712
CASH FLOWS FROM INVESTING ACTIVITIES:			
(Purchase) sale of investments	(3,744)	-	(3,744)
Interest income	4,983	-	4,983
Net cash provided (used) by investing activities	1,239	-	1,239
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Purchase of capital assets	(207,501)	(76,713)	(284,214)
Capital contributions	-	79,345	79,345
Transfers in from other funds	15,412	-	15,412
Transfers to other funds	(1,181)	-	(1,181)
Principal payments on bonds payable	(99,692)	-	(99,692)
Interest payments on bonds payable	(24,757)	-	(24,757)
Net cash used by capital and related financing activities	(317,719)	2,632	(315,087)
NET CHANGE IN CASH AND CASH EQUIVALENTS	-	4,864	4,864
CASH AND CASH EQUIVALENTS - JULY 1	-	-	-
CASH AND CASH EQUIVALENTS - JUNE 30	\$ -	\$ 4,864	\$ 4,864
RECONCILIATION OF OPERATING (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating (loss)	\$ (61,933)	\$ 20,147	\$ (41,786)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation expense	347,087	548	347,635
Changes in operating assets and liabilities:			
(Increase) decrease in accounts receivable	(38,975)	(898)	(39,873)
(Increase) decrease in due from other funds	71,037	(15,824)	55,213
(Increase) decrease in inventory	-	(1,745)	(1,745)
(Increase) decrease in prepaid expenses	(500)	-	(500)
Increase (decrease) in accounts payable	-	4	4
Increase (decrease) in accrued interest	(236)	-	(236)
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 316,480	\$ 2,232	\$ 318,712
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:			
Cash paid during the year for:			
Interest	\$ 24,757	\$ -	\$ 24,757

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

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Reporting Entity**

The Town of Bucksport was incorporated under the laws of the State of Maine. The Town operates under the council-manager form of government and provides the following services: general government, protection, public works, health and sanitation, education, recreation, community and social agencies, and other unclassified.

The Town's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. Although the Town has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the Town has chosen not to do so.

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

**Government-Wide and Fund Financial Statements**

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds).

Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Town's sewer fund and marina are categorized as business-type activities. All other activities of the Town are categorized as governmental.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are (a) presented on a consolidated basis by column, and (b) are reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Town's net position are reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position. The Town first utilizes restricted resources to finance qualifying activities.

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The government-wide Statement of Activities reports both the gross and net cost of each of the Town's functions and business-type activities (general government, protection, etc.). The functions are also supported by general government revenues (property taxes, certain intergovernmental revenues, miscellaneous revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. For the most part, the interfund activity has been eliminated from these government-wide financial statements.

The net costs (by function) are normally covered by general revenue (taxes, certain intergovernmental revenues and charges for services, etc.).

The Town does not allocate indirect costs. All costs are charged directly to the corresponding department.

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

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

The financial transactions of the Town are reported in the individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements. Both fiduciary funds and component units that are fiduciary in nature have been excluded from these financial statements.

The following fund types are used by the Town:

1. Governmental Funds:

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

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

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

2. Proprietary Funds

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

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

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

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Basis of Accounting**

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

1. Accrual

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

2. Modified Accrual

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

**Budget**

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

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

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



TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. The Town does not adopt budgets for Special Revenue Funds.

**Deposits and Investments**

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. The Town's investment policy requires collateralization of accounts and deposits exceeding an amount equal to 25% of capital, surplus, and undivided profits as defined by the laws of the State of Maine.

It is the Town's policy to value investments at fair value. None of the Town's investments are reported at amortized cost. For purposes of the statement of cash flows, all highly liquid investments with a maturity of three months or less when purchased are considered to be cash equivalents. The Town Treasurer is authorized by State Statutes to invest all excess funds in the following:

- Obligations of the U.S. Government, its agencies and instrumentalities.
- Certificates of deposits and other evidences of deposits at banks, savings and loan associations, and credit unions.
- Repurchase agreements
- Money market mutual funds

**Inventories**

Inventories consist of expendable supplies held for consumption and are valued at cost. Under the consumption method, the costs of inventory items are recognized as expenditures when used. In the general fund, inventory consists of diesel fuel, gasoline, winter salt and sand and gravel. Inventories of supplies in the sewer fund are considered to be expenditures at the time of purchase and are not included in the sewer fund balance sheet.

**Interfund Receivables and Payables**

Any residual balances outstanding between governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances". Interfund balances and transactions have been eliminated in the government-wide financial statements.

**Transactions Between Funds**

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of both Governmental and Proprietary Funds.

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Allowance for Uncollectible Accounts**

The allowance for uncollectible accounts for the ambulance receivables and micro-loans was estimated to be \$57,850 and \$26,174, respectively, as of June 30, 2014.

**Capital Assets**

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Infrastructure such as streets, traffic signals, and signs are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives.

The assets are valued at historical cost when available and estimated historical cost where actual invoices or budgetary data was unavailable. Donated fixed assets are valued at their estimated fair market value on the date received. All retirements have been recorded by eliminating the net carrying values.

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

Estimated useful lives are as follows:

Buildings and improvements	10 - 70 years
Infrastructure	20 - 50 years
Machinery and equipment	5 - 30 years
Vehicles	5 - 30 years

**Long-term Obligations**

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

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in government-wide statements. The long-term debt consists primarily of bonds payable and compensated absences.

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

**Compensated Absences**

The Town's policies regarding vacation and sick time permit employees to accumulate earned but unused vacation and sick leave. The liability for these compensated absences is recorded as long-term debt in the government-wide financial statements. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources, while the proprietary funds report the liability as it is incurred.

**Net Position**

Net position represents the difference between all other elements in a statement of financial position. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislations adopted by the Town or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or restricted net position.

**Fund Balance**

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

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

Restricted – This includes amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints

TOWN OF BUCKSPORT, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – This includes amounts that can be used only for specific purposes determined by a formal action of the inhabitants of the Town. The inhabitants of the Town through Town meetings and/or the Town Council are the highest level of decision-making authority of the Town. Commitments may be established, modified, or rescinded only through a Town meeting vote.

Assigned – This includes amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The authority for assigning fund balance is expressed by the Town Council.

Unassigned – This includes all other spendable amounts. The general fund is the only fund that reports a positive unassigned fund balance amount. Other governmental funds besides the general fund can only report a negative unassigned fund balance amount.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of assigned funds, and then unassigned funds, as needed.

The Town is in the process of evaluating its current fund balance policies to ensure that these new classifications are supported. Included in the policies are guidelines for accumulating and maintaining an operating position in certain budgeted governmental funds such that annual expenditures shall not exceed annual resources, including fund balances. Other funds shall be fully self-supporting to the extent that the fund balance or retained earnings of each fund shall be zero or greater.

**Deferred Outflows and Inflows of Resources**

In addition to assets, the statement of financial position and/or balance sheet will at times report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town currently has no deferred outflows of resources.

In addition to liabilities, the statement of financial position and or balance sheet will at times report a separate section for deferred inflows of resources. This separate

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town has only one type of item, deferred tax revenues, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, this item is reported in the governmental funds balance sheet. Prepaid taxes also qualify for reporting in this category. This item is reported in both the statements of net position and governmental funds balance sheet. All items in this category are deferred and recognized as an inflow of resources in the period that the amounts become available.

**Revenue Recognition - Property Taxes - Modified Accrual Basis**

The Town's property tax for the current year was levied July 1, 2013 on the assessed value listed as of April 1, 2013, for all real and personal property located in the Town. Taxes were due in two installments on August 31, 2013 and March 31, 2014. Interest on unpaid taxes commenced on September 1, 2013 and April 1, 2014, at 7% per annum.

Property tax revenues are recognized when they become available. Available includes those property tax receivables expected to be collected within sixty days after year end. The remaining receivables have been recorded as deferred revenues.

The Town is permitted by the laws of the State of Maine to levy taxes up to 105% of its net budgeted expenditures for the related fiscal period. The amount raised in excess of 100% is referred to as overlay, and amounted to \$76,586 for the year ended June 30, 2014.

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.

**Program Revenues**

Program revenues include all directly related income items applicable to a particular program (grant income/expenses).

**Operating/Non-operating Proprietary Fund Revenues**

Operating revenues consist mainly of direct revenue sources and/or charges for services applicable to that fund.

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Encumbrance Accounting**

Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year-end. The Town does not utilize encumbrance accounting for its general fund.

**Use of Estimates**

During the preparation of the Town's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingent items as of the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results may differ from these estimates.

NOTE 2 - DEPOSITS AND INVESTMENTS

The Town's investment policies, which follow state statutes, require that all investments be made considering the safe and sound investment of principal and preservation of capital in the overall portfolio, maintenance of sufficient liquidity to meet day-to-day operations and other cash requirements and maximization of income, within established investment risk guidelines, with consistent cash flows throughout the budgetary cycle. These investment policies apply to all Town funds.

**Deposits:**

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the Town will not be able to recover its deposits. The Town does not have a policy covering custodial credit risk for deposits. However, the Town maintains deposits in qualifying financial institutions that are a member of the FDIC or NCUSIF as defined in Title 30-A, Section 5706 of the Maine Revised Statutes. At June 30, 2014, the Town's cash balance of \$1,938,928 was comprised of deposits amounting to \$1,908,745. Of these bank deposits, \$525,148 was insured by federal depository insurance and consequently was not exposed to custodial credit risk. The remaining balance of \$1,383,597 was collateralized with securities held by the financial institution in the Town's name.

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

<u>Account Type</u>	<u>Bank Balance</u>
Checking accounts	\$ 408,300
Repurchase agreement	92,314
Money market account	1,408,131
Cash and cash equivalents	29,259
Mutual funds	70,619
	<u>\$ 1,908,745</u>

**Investments:**

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

At June 30, 2014, the Town's investments of \$10,375,078 were comprised of \$32,226 of stocks that are registered in the Town's name, held by the Town and therefore not exposed to custodial credit risk. The remaining certificates of deposit of \$10,342,852 were collateralized with securities held by the financial institution in the Town's name.

At June 30, 2014, the Town had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Not Applicable</u>	<u>Less than 1 Year</u>	<u>1 - 5 Years</u>
Certificates of deposit	\$ 10,342,852	\$ -	\$ 5,185,850	\$ 5,157,002
Stocks	32,226	32,226	-	-
	<u>\$ 10,375,078</u>	<u>\$ 32,226</u>	<u>\$ 5,185,850</u>	<u>\$ 5,157,002</u>

Credit risk – Statutes for the State of Maine authorize the Town to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other states and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Maine, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. The Town does not have an investment policy on credit risk. Generally, the Town invests excess funds in money market accounts and various certificates of deposit.

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

Interest rate risk – is the risk that changes in interest rates will adversely affect the fair value of an investment. The Town does not have a policy related to interest rate risk.

The Town has determined that it has complied with state and federal laws governing the investment of public funds.

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at June 30, 2014 consisted of the following individual fund receivables and payables:

	Receivables (Due from)	Payables (Due to)
General Fund	\$ 1,595	\$ 2,748,868
Special Revenue Funds	415,847	856
Capital Project Funds	2,004,040	-
Permanent Funds	93,826	739
Enterprise Fund	235,155	-
	<u>\$ 2,750,463</u>	<u>\$ 2,750,463</u>



TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

NOTE 4 - CAPITAL ASSETS

The following is a summary of changes in capital assets at June 30, 2014:

	Balance, 7/1/13	Additions	Disposals	Balance, 6/30/14
<u>Governmental activities</u>				
Non-depreciated assets:				
Land	\$ 1,516,121	\$ -	\$ -	\$ 1,516,121
Construction in progress	640,241	1,088,569	(236,710)	1,492,100
Artwork	11,450	-	-	11,450
	<u>2,167,812</u>	<u>1,088,569</u>	<u>(236,710)</u>	<u>3,019,671</u>
Depreciated assets:				
Buildings	3,816,047	-	-	3,816,047
Building improvements	1,043,286	11,805	-	1,055,091
Furniture and fixtures	5,368	-	-	5,368
Equipment	1,318,999	108,046	-	1,427,045
Vehicles	2,390,784	307,836	(43,369)	2,655,251
Infrastructure	11,368,081	257,024	-	11,625,105
	<u>19,942,565</u>	<u>684,711</u>	<u>(43,369)</u>	<u>20,583,907</u>
Less: accumulated depreciation	<u>(11,866,228)</u>	<u>(671,057)</u>	<u>30,381</u>	<u>(12,506,904)</u>
	<u>8,076,337</u>	<u>13,654</u>	<u>(12,988)</u>	<u>8,077,003</u>
Net governmental capital assets	<u>\$ 10,244,149</u>	<u>\$ 1,102,223</u>	<u>\$ (249,698)</u>	<u>\$ 11,096,674</u>
<u>Business-type activities</u>				
Non-depreciated assets:				
Land	\$ 676,899	\$ -	\$ -	\$ 676,899
Construction in progress	113,304	188,139	-	301,443
	<u>790,203</u>	<u>188,139</u>	<u>-</u>	<u>978,342</u>
Depreciated assets:				
Buildings	4,546,321	45,593	-	4,591,914
Building improvements	875,269	-	-	875,269
Furniture and fixtures	-	704	-	704
Equipment	58,969	23,965	-	82,934
Vehicles	53,205	-	-	53,205
Infrastructure	5,645,073	25,813	-	5,670,886
	<u>11,178,837</u>	<u>96,075</u>	<u>-</u>	<u>11,274,912</u>
Less: accumulated depreciation	<u>(6,157,473)</u>	<u>(347,635)</u>	<u>-</u>	<u>(6,505,108)</u>
	<u>5,021,364</u>	<u>(251,560)</u>	<u>-</u>	<u>4,769,804</u>
Net business-type capital assets	<u>\$ 5,811,567</u>	<u>\$ (63,421)</u>	<u>\$ -</u>	<u>\$ 5,748,146</u>

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

NOTE 4 - CAPITAL ASSETS (CONTINUED)

Current year depreciation:

General government	\$ 91,169
Protection	126,969
Public works	365,556
Health and sanitation	12,927
Recreation	74,436
	<u>671,057</u>
Sewer Fund	347,087
Marina	548
	<u>347,635</u>
Total depreciation expense	<u>\$ 1,018,692</u>

NOTE 5 - NOTE RECEIVABLE

On December 5, 2011, the Town entered into a note receivable from Chambers Realty LLC for an assisted living facility. The original amount of the note was for \$200,000 with 0% interest. As long as the property is maintained and operated as an assisted living facility for 15 years in accordance with the terms set forth in the agreement, there shall be no payments due from the borrower in repayment of the loan and the loan shall be forgiven at the end of the 15 year period. The following is a summary of changes in the note receivable for the year ended June 30, 2014:

	Balance, 7/1/13	Additions	Deletions	Balance, 6/30/14
Note receivable	\$ 186,662	\$ -	\$ (13,338)	\$ 173,324
Totals	<u>\$ 186,662</u>	<u>\$ -</u>	<u>\$ (13,338)</u>	<u>\$ 173,324</u>

NOTE 6 - LONG-TERM RECEIVABLE

As of July 1, 2009, the Bucksport school department became a member of Regional School Unit (RSU) No. 25. The RSU Plan requires that the RSU be responsible for payment of all school-related long-term debt on behalf of the Town. As of June 30, 2014, a long-term receivable has been recorded for \$3,806,158, which represents school-related general obligation bonds. The State of Maine Department of Education is responsible for paying approximately 92% of the debt service on general obligation bonds directly to the Maine Municipal Bond Bank. The remaining debt service for bonds is paid by the RSU.

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

NOTE 7 - LONG TERM DEBT

The following is a summary of changes in the long-term debt for the year ended June 30, 2014:

	Balance, 7/1/13	Additions	Deletions	Balance, 6/30/14	Current Portion
Bonds payable	\$ 6,277,028	\$ -	\$ (615,116)	\$ 5,661,912	\$ 616,152
Accrued compensated absences	210,155	14,862	-	225,017	-
Totals	<u>\$ 6,487,183</u>	<u>\$ 14,862</u>	<u>\$ (615,116)</u>	<u>\$ 5,886,929</u>	<u>\$ 616,152</u>

The following is a summary of outstanding bonds payable:

Governmental activities debt:

\$1,561,872, 1999E General Obligation Bonds due in annual principal payments of \$104,125, through November of 2014. Interest is charged at a rate varying from 4.283% to 5.908% per annum.

\$ 104,125

\$8,226,730, 2002 General Obligation Bonds due in annual principal payments of \$411,336, through November of 2022. Interest is charged at a rate varying from 3.050% to 5.250% per annum.

3,702,033

Total governmental activities debt

3,806,158

Business-activities debt:

\$2,151,880, 2010 General Obligation Bonds due in annual installments, calculated using the level debt method, through October of 2030. Interest is charged at a rate of 1.00% per annum.

1,855,754

Total business-activities debt

1,855,754

Total Long-Term Debt

\$ 5,661,912

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

NOTE 7 - LONG TERM DEBT (CONTINUED)

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

	Governmental Activities			Business-type Activities		Total Debt Service
	General Obligation			Sewer		
	Principal	Principal Credit	Interest	Principal	Interest	
2015	\$ 515,462	\$ -	\$ 157,193	\$ 100,690	\$ 23,991	\$ 797,336
2016	411,337	-	134,540	101,696	22,979	670,552
2017	411,337	-	113,345	102,713	21,957	649,352
2018	411,337	-	91,876	103,741	20,924	627,878
2019	411,337	-	70,418	104,778	19,881	606,414
2020-2024	1,645,348	(22,481)	86,843	539,818	83,396	2,332,924
2025-2029	-	-	-	567,354	55,715	623,069
2030-2034	-	-	-	234,964	14,221	249,185
	<u>\$ 3,806,158</u>	<u>\$ (22,481)</u>	<u>\$ 654,215</u>	<u>\$ 1,855,754</u>	<u>\$ 263,064</u>	<u>\$ 6,556,710</u>

All bonds payable are direct obligations of the Town, for which its full faith and credit are pledged. The Town is not obligated for any special assessment debt. All debt is payable from taxes levied on all taxable property within the Town. Principal credit represents the Town's portion of savings realized by the Maine Municipal Bond Bank upon debt refunding, amortized over the remaining life of the bond.

NOTE 8 - NONSPENDABLE FUND BALANCES

At June 30, 2014, the Town has the following nonspendable fund balances:

General fund:

Inventory	\$ 11,612
Tax acquired property	13,037
Prepaid and other assets	25,053
Permanent funds (Schedule I)	140,198
	<u>\$ 189,900</u>

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

NOTE 9 - RESTRICTED FUND BALANCES

At June 30, 2014, the Town has the following restricted fund balances:

General fund:	
Tax increment financing agreement	\$ 343,919
Highway block grant	19,398
Special revenue funds (Schedule E)	234,128
	<u>\$ 597,445</u>

NOTE 10 - COMMITTED FUND BALANCES

At June 30, 2014, the Town has the following committed fund balances:

General fund:	
Amount Committed for FY 2015 Budget	\$ 364,669
Loans receivable	173,324
Capital project funds (Schedule G)	1,907,886
	<u>\$ 2,445,879</u>

NOTE 11 - ASSIGNED FUND BALANCES

At June 30, 2014, the Town has the following assigned fund balances:

General fund:	
Education	\$ 545,328
Solid waste	11,220
Special revenue funds (Schedule E)	387,907
Capital project funds (Schedule G)	96,154
Permanent funds (Schedule I)	84,993
	<u>\$ 1,125,602</u>

NOTE 12 - OVERLAPPING DEBT

The Town is responsible for its proportionate share of County debt. As of June 30, 2014, the Town's share was as follows:

	<u>Outstanding Debt</u>	<u>Town's Percentage</u>	<u>Total Share</u>
County of Hancock	\$ 3,415,373	5.17%	<u>\$ 176,575</u>

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

NOTE 13 - RISK MANAGEMENT

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’s compensation coverage and develop a comprehensive loss control program. The Town pays an annual premium to the fund for its worker’s compensation coverage. The Town’s agreement with the Fund provides that the fund will be self-sustaining through member premiums and will provide, through commercial companies’ reinsurance contracts, coverage for claims in excess of \$1,000,000.

The Town has its liability insurance through the Maine Municipal Association. The Town pays an annual premium for its property and liability coverage. Under the property coverage portion of the policy, coverage is provided after a \$1,000 per occurrence deductible is met; the current total property value is \$10,722,683. Under the general liability portion of the policy, the limit is \$400,000 per occurrence for causes of action pursuant to the Maine Tort Claims Act. Coverage is limited to those areas for which governmental immunity has been expressly waived and \$2,000,000 per occurrence for causes of action pursuant to federal law or state law for which immunity is not proved by the Maine Tort Claims Act. The same limit applies for Law Enforcement after a \$1,000 per occurrence deductible is met. For public official liability and employment practices liability, the coverage is \$2,000,000 per occurrence and \$4,000,000 aggregate with a \$5,000 deductible.

Based on the coverage provided by the insurance purchased, the Town is not aware of any material actual or potential claim liabilities which should be recorded as of June 30, 2014. There were no significant reductions in insurance coverage from that of the prior year and amounts of settlements have not exceeded insurance coverage in the past three years.

NOTE 14 - LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

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

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

NOTE 15 - DEFINED BENEFIT PENSION PLAN

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

A. Plan Description

Town employees contribute to the Participating Local Districts (PLDs) Consolidated Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the Maine Public Employees Retirement System. The PLDs Consolidated Plan provides retirement and disability benefits and death benefits to plan members and beneficiaries. Title 5 of the Maine Revised Statutes Annotated assigns the authority to establish and amend benefit provisions to the PLD's Consolidated Plan Board of Trustees. The Maine Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for PLDs Consolidated Plan. That report may be obtained by writing to Maine Public Employees Retirement System, 46 State House Station, Augusta, Maine 04333 or by calling (800) 451-9800.

B. Funding Policy

The contribution requirements of plan members and the Town are established and may be amended by the PLD's Consolidated Board of Trustees. The Town's police and fire department employees are part of the PLD's special plan "4N" and are required to contribute 8.0% of their annual salary, while all other employees are part of the PLD's plan "AN" and are required to contribute 7.0% of their annual salary. The Town is required to contribute 4.0% of special plan "4N" members' covered payroll and 4.1% of the plan "AN" members' covered payroll annually to the system along with a predetermined initial unpooled unfunded actuarial liability (IUUAL) rate set by the system. The IUUAL can either be a monthly payment or credit, which is added to or subtracted from the employer's percentage of employees' covered payroll to determine the employers actual cost.

As of June 30, 2013, the Town had an initial unpooled unfunded actuarial liability credit of \$507,184, computed using the actuarial method used for funding purposes. (The amount of the unfunded actuarial accrued liability credit as of June 30, 2014 is not currently available.) This credit is being used to reduce future contributions and is being amortized over an open period of 10 years. The Town's actual contribution was \$0 after the unfunded actuarial accrued liability credit was deducted from the annual pension cost.

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

NOTE 16 – DEFERRED COMPENSATION PENSION PLAN

INTERNATIONAL CITY MANAGERS ASSOCIATION - RETIREMENT CORPORATION

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all employees, permits the employee to defer a portion of salary until future years. There is no employer match by the Town. The deferred compensation is not available to employees until termination, retirement, death or unforeseen emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) to be held in a trust for the exclusive benefit of the participants and their beneficiaries.

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

NOTE 17 - OTHER POSTEMPLOYMENT BENEFITS

The Town, in accordance with its current life insurance company agreement, provides life insurance benefits to eligible retirees and their spouses. Retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts towards the cost of receiving benefits under the Town's life insurance benefits program.

Funding policy – The Town currently funds claims and administrative costs for postemployment benefits through its life insurance company or through current year expenditures.

The current census of Town benefit participants as of June 30, 2014 was sixteen participants. Total expenditures for the year ended June 30, 2014 were \$2,155.

NOTE 18 - TAX INCREMENT FINANCING AGREEMENT

On March 20, 1997, the Bucksport Town Council approved the Champion International Tax Increment Financing District (TIF) and adopted a development program for the District as authorized pursuant to Chapter 207 of Title 30-A of the Maine Revised Statutes as amended. The development program for the district was amended March 27, 2000. The original valuation of the property (adjusted for revised assessment) is \$64,993,368; \$45,178,331 in TIF captured value was added, bringing the 2014-15 valuation of the property to \$110,171,699. Seventy-five percent of the property taxes to be generated on the improvements within the District will be returned



TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

NOTE 18 - TAX INCREMENT FINANCING AGREEMENT (CONTINUED)

to the developer while the remaining 25% will be kept by the Town to fund a development plan as approved by the Office of Economic and Community Development on March 31, 1997. The District expires after a twenty-year period and all tax revenues will be returned to the general operating fund of the Town. The TIF agreement was amended on March 27, 2000. Ownership of the District was transferred to International Paper in 2003.

On October 28, 2010, the Bucksport Town Council voted to approve the second amendment request on the now "Verso Bucksport" TIF District, extending the District life by 10 years through March 31, 2027 along with certain other amendments to the Development Plan, consistent with MRSA 30-A § 5224. The Office of Economic and Community Development approved the amendment request on March 22, 2011.

In addition, Verso Paper requested a new thirty-year TIF District, which includes new electrical energy capacity by reconfiguration of its energy plant, modifying the waste fuel biomass boiler and adding a 20-30 megawatt turbine. The Bucksport Town Council voted to approve the request on October 28, 2011. It was approved by the Office of Economic and Community Development on March 29, 2012. The new District captures 100% of the taxable improvements and returns 75% of the captured revenues to the Company to help finance a portion of the project. The Development Plan will finance public improvements outside, but directly related to, the District. The original valuation of the property was \$18,207,173; \$38,257,644 in TIF captured value was added, bringing the 2014-15 valuation of the property to \$56,464,817.

On March 27, 2003, the Bucksport Town Council approved a Tax Increment Financing District for Ellis & Guerrette. The original valuation of the property was \$28,300; \$1,076,340 in TIF captured value was added, bringing the 2014-15 valuation of the property to \$1,104,640. Fifty percent of the property taxes to be generated on the improvements within the District will be returned to the developer for 14 years or until \$71,000 is returned to the developer. The remaining 50% will be retained by the Town and used to fund the development plan of the District.

On February 28, 2011, the Bucksport Town Council approved a Tax Increment Financing District for Leadbetter Realty Trust. The original valuation of the property was \$16,600; \$375,200 in TIF captured value was added, bringing the 2014-15 valuation of the property to \$391,800. Fifty percent of the property taxes to be generated on the improvements within the District will be returned to the developer for 15 years or until \$40,000 is returned to the developer. The remaining 50% will be retained by the Town and used to fund the development plan of the District.

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

NOTE 19 - ECONOMIC DEPENDENCY

The Town has one taxpayer whose property tax assessment represents a significant portion of the Town's tax base. For fiscal year 2014, the Bucksport mill of Verso Paper had an assessed value of \$415,143,517, including TIF and BETE reimbursable properties, which is 53.8% of the Town's assessed value of \$771,139,939. Verso Paper's property tax assessment was \$4,732,588 after return of 75% of the TIF taxes, which was 49.6% of the Town's assessment of \$9,550,133 net of TIF returns.

NOTE 20 - JOINT VENTURE

The Town of Bucksport is a member of the Joint Venture of the Equity Charter Municipalities of Municipal Review Committee, Inc. (Joint Venture). The Joint Venture is an organization that resulted from a contractual arrangement between certain member municipalities, Penobscot Energy Recovery Company (PERC) and Bangor Hydro Electric Company. It was formed to pool resources of the Equity Charter Municipalities for the long-term goal of handling the disposal of their present and projected volumes of non-hazardous municipal solid waste. As of December 31, 2013 (most recent data available), the Town of Bucksport's share of the Joint Venture's net position was \$491,571. Complete financial statements may be obtained from the Municipal Review Committee, 40 Harlow Street, Bangor, Maine 04401.

NOTE 21 - CONTINGENCIES

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

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

NOTE 22 – SUBSEQUENT EVENTS

On or around October 1, 2014, the Town's largest taxpayer Verso Paper Corp. announced the fourth quarter 2014 closure of their Bucksport, Maine paper mill. Together, the mill and the energy company comprise approximately 53.8% of the Town's assessed value. Verso Paper Corp. has no unpaid taxes as of June 30, 2014. Any financial impact or other related business matters between the Town and Verso is not known at this time.

### Required Supplementary Information

Required supplementary information includes financial information and disclosures that are required by the Government Accounting Standards Board but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund

## TOWN OF BUCKSPORT, MAINE

BUDGETARY COMPARISON SCHEDULE – BUDGETARY BASIS  
 BUDGET AND ACTUAL – GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Positive (Negative)
Budgetary Fund Balance, July 1	\$ 9,289,209	\$ 9,289,209	\$ 9,289,209	\$ -
Resources (Inflows):				
Property taxes	9,756,677	9,756,677	9,716,843	(39,834)
Excise taxes	561,100	561,100	703,924	142,824
Intergovernmental	1,172,154	1,869,826	1,858,732	(11,094)
Charges for services	632,355	633,871	718,995	85,124
Interest on taxes	24,000	24,000	23,947	(53)
Interest income	74,414	74,414	81,982	7,568
Miscellaneous revenues	171,975	171,975	169,454	(2,521)
Transfers from other funds	4,500	4,500	4,500	-
Amounts Available for Appropriation	<u>21,686,384</u>	<u>22,385,572</u>	<u>22,567,586</u>	<u>182,014</u>
Charges to Appropriations (Outflows):				
General government	1,463,009	1,463,009	1,342,514	120,495
Protection	1,559,714	1,559,714	1,540,985	18,729
Public works	943,177	943,177	893,666	49,511
Health and sanitation	334,121	334,121	292,007	42,114
Community and social agencies	76,721	76,721	74,240	2,481
Education	5,961,105	5,961,105	5,961,105	-
Recreation	226,336	226,336	215,448	10,888
Cemeteries	3,920	3,920	3,920	-
County tax	272,694	272,694	272,694	-
Tax increment financing agreement	1,221,880	1,221,880	1,165,332	56,548
Unclassified	83,255	344,737	262,902	81,835
Debt service:				
Principal	-	515,424	515,424	-
Interest	-	182,248	182,248	-
Transfers to other funds	690,912	731,591	731,591	-
Total Charges to Appropriations	<u>12,836,844</u>	<u>13,836,677</u>	<u>13,454,076</u>	<u>382,601</u>
Budgetary Fund Balance, June 30	<u>\$ 8,849,540</u>	<u>\$ 8,548,895</u>	<u>\$ 9,113,510</u>	<u>\$ 564,615</u>
Utilization of assigned fund balance	\$ 2,000	\$ 2,000	\$ -	\$ (2,000)
Utilization of unassigned fund balance	437,669	738,314	-	(738,314)
	<u>\$ 439,669</u>	<u>\$ 740,314</u>	<u>\$ -</u>	<u>\$ (740,314)</u>

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

### Other Supplementary Information

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

- Budgetary Comparison Schedule – General Fund Revenues
- Schedule of Departmental Operations – General Fund
- Combining Balance Sheet - Nonmajor Governmental Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds
- Combining Balance Sheet - Nonmajor Special Revenue Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds
- Combining Balance Sheet – Nonmajor Capital Project Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Project Funds
- Combining Balance Sheet – Nonmajor Permanent Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Permanent Funds
- Schedule of General Capital Assets by Function
- Schedule of Changes in General Capital Assets by Function

## TOWN OF BUCKSPORT, MAINE

BUDGETARY COMPARISON SCHEDULE – BUDGETARY BASIS  
 BUDGET AND ACTUAL – GENERAL FUND REVENUES  
 FOR THE YEAR ENDED JUNE 30, 2014

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Property taxes	\$ 9,756,677	\$ 9,756,677	\$ 9,716,843	\$ (39,834)
Excise taxes:				
Auto excise	556,600	556,600	698,143	141,543
Boat excise	4,500	4,500	5,781	1,281
Intergovernmental revenues:	-			
State revenue sharing	200,000	200,000	173,070	(26,930)
Homestead exemption	78,115	78,115	78,115	-
Local road assistance	67,524	67,524	67,448	(76)
Tree growth reimbursement	14,000	14,000	24,341	10,341
Veterans' reimbursement	2,000	2,000	3,153	1,153
General assistance reimbursement	2,500	2,500	11,043	8,543
BETE reimbursement	621,866	621,866	621,946	80
Department subsidies	186,149	186,149	181,944	(4,205)
RSU debt payments	-	697,672	697,672	-
Charges for services:				
Auto registration fees	16,000	16,000	16,492	492
Town clerk revenues	10,000	10,000	12,549	2,549
Planning board fees	1,000	1,000	1,418	418
Code enforcement fees	9,000	9,000	6,322	(2,678)
Plumbing inspector fees	2,500	2,500	4,330	1,830
Ambulance user fees	345,000	345,000	424,140	79,140
Fire revenue	-	-	317	317
Police revenue	29,000	29,000	14,779	(14,221)
Animal control fees	6,397	6,397	10,497	4,100
Recycling revenue	24,600	24,600	26,287	1,687
Solid waste fees	47,720	47,720	43,098	(4,622)
MERC revenue	45,000	45,000	46,210	1,210
Recreation fees	33,138	34,654	44,185	9,531
Cable TV revenue	63,000	63,000	68,371	5,371
Interest:				
Taxes	24,000	24,000	23,947	(53)
Deposit and investment accounts	74,414	74,414	81,982	7,568
Other income:				
Tax lien cost	11,210	11,210	13,687	2,477
TIF revenue	146,865	146,865	140,196	(6,669)
Fee in lieu of taxes	10,800	10,800	11,709	909
Highway revenue	1,000	1,000	520	(480)
Snowmobile revenue	1,100	1,100	1,337	237
Other income	1,000	1,000	2,005	1,005
Transfers in:				
Spofford fund	4,500	4,500	4,500	-
Total revenues	<u>\$ 12,397,175</u>	<u>\$ 13,096,363</u>	<u>\$ 13,278,377</u>	<u>\$ 182,014</u>

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

## TOWN OF BUCKSPORT, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2014

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
EXPENDITURES					
General government:					
Administration	\$ 421,994	\$ -	\$ 421,994	\$ 408,148	\$ 13,846
Municipal planning	59,475	-	59,475	56,665	2,810
Assessor's office	57,672	-	57,672	56,048	1,624
Municipal building	22,921	-	22,921	19,183	3,738
Insurance & benefits	792,122	-	792,122	701,451	90,671
Contingency	34,000	-	34,000	31,935	2,065
Public access channel	3,519	-	3,519	647	2,872
Economic development	71,306	-	71,306	68,437	2,869
	<u>1,463,009</u>	<u>-</u>	<u>1,463,009</u>	<u>1,342,514</u>	<u>120,495</u>
Protection:					
Fire protection	357,474	-	357,474	343,388	14,086
Police department	482,050	-	482,050	452,775	29,275
Dispatcher service	176,649	-	176,649	168,838	7,811
Ambulance service	267,087	-	267,087	314,067	(46,980)
Public safety building	37,121	-	37,121	35,489	1,632
Public safety utilities	239,333	-	239,333	226,428	12,905
	<u>1,559,714</u>	<u>-</u>	<u>1,559,714</u>	<u>1,540,985</u>	<u>18,729</u>
Public works:					
General highways	921,490	-	921,490	875,663	45,827
Town garage	21,687	-	21,687	18,003	3,684
	<u>943,177</u>	<u>-</u>	<u>943,177</u>	<u>893,666</u>	<u>49,511</u>
Health and sanitation:					
Solid waste	321,821	-	321,821	272,446	49,375
Health	300	-	300	300	-
General assistance	12,000	-	12,000	19,261	(7,261)
	<u>334,121</u>	<u>-</u>	<u>334,121</u>	<u>292,007</u>	<u>42,114</u>
Community and social agencies:					
Community agencies	33,829	-	33,829	31,348	2,481
Social agencies	42,892	-	42,892	42,892	-
	<u>76,721</u>	<u>-</u>	<u>76,721</u>	<u>74,240</u>	<u>2,481</u>

## TOWN OF BUCKSPORT, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2014

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
Education:					
Regular program	5,961,105	-	5,961,105	5,961,105	-
Recreation:					
Recreation program	217,658	-	217,658	208,278	9,380
Town dock expenses	8,678	-	8,678	7,170	1,508
	226,336	-	226,336	215,448	10,888
Cemeteries	3,920	-	3,920	3,920	-
County tax	272,694	-	272,694	272,694	-
TIF	1,221,880	-	1,221,880	1,165,332	56,548
Unclassified:					
Feldman property	-	249,999	249,999	203,708	46,291
MMA restitution	-	1,219	1,219	1,219	-
Bangor Gas	-	14,228	14,228	14,673	(445)
Note receivable amortization	6,669	-	6,669	6,669	-
Overlay	76,586	(3,964)	72,622	36,633	35,989
	83,255	261,482	344,737	262,902	81,835
Debt service:					
Principal	-	515,424	515,424	515,424	-
Interest	-	182,248	182,248	182,248	-
	-	697,672	697,672	697,672	-
Transfers out:					
Special revenues	-	21,705	21,705	21,705	-
Capital reserves	675,500	18,974	694,474	694,474	-
Sewer fund - debt service	15,412	-	15,412	15,412	-
	690,912	40,679	731,591	731,591	-
Total Expenditures	\$ 12,836,844	\$ 999,833	\$ 13,836,677	\$ 13,454,076	\$ 382,601

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



## TOWN OF BUCKSPORT, MAINE

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2014

	Special Revenue Funds	Capital Project Funds	Permanent Funds	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 104,492	\$ -	\$ 99,878	\$ 204,370
Investments	54,252	-	32,226	86,478
Accounts receivable (net of allowance for uncollectibles)	48,300	-		48,300
Due from other funds	415,847	2,004,040	93,826	2,513,713
<b>TOTAL ASSETS</b>	<u>\$ 622,891</u>	<u>\$ 2,004,040</u>	<u>\$ 225,930</u>	<u>\$ 2,852,861</u>
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	856	-	739	1,595
<b>TOTAL LIABILITIES</b>	<u>856</u>	<u>-</u>	<u>739</u>	<u>1,595</u>
<b>FUND BALANCES</b>				
Nonspendable - principal	-	-	140,198	140,198
Restricted	234,128	-	-	234,128
Committed	-	1,907,886	-	1,907,886
Assigned	387,907	96,154	84,993	569,054
Unassigned	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>622,035</u>	<u>2,004,040</u>	<u>225,191</u>	<u>2,851,266</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 622,891</u>	<u>\$ 2,004,040</u>	<u>\$ 225,930</u>	<u>\$ 2,852,861</u>

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

## TOWN OF BUCKSPORT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2014

	Special Revenue Funds	Capital Project Funds	Permanent Funds	Total Nonmajor Governmental Funds
REVENUES				
Intergovernmental	\$ 886,747	\$ -	\$ -	\$ 886,747
Investment income, net of unrealized gains/(losses)	4,210	19,890	20,692	44,792
Donations	2,718	-	-	2,718
Other	34,669	17,338	92,482	144,489
TOTAL REVENUES	<u>928,344</u>	<u>37,228</u>	<u>113,174</u>	<u>1,078,746</u>
EXPENDITURES				
General Government	32,091	859	-	32,950
Protection	11,948	1,435	-	13,383
Public Works	-	367	-	367
Health and Sanitation	-	25	-	25
Human Services	68,278	-	-	68,278
Environment & Housing	84,825	-	-	84,825
Culture & Recreation	29,951	3,508	-	33,459
Cemeteries	-	-	6,832	6,832
Capital Outlay	627,459	643,934	-	1,271,393
TOTAL EXPENDITURES	<u>854,552</u>	<u>650,128</u>	<u>6,832</u>	<u>1,511,512</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>73,792</u>	<u>(612,900)</u>	<u>106,342</u>	<u>(432,766)</u>
OTHER FINANCING SOURCES (USES)				
Operating Transfers In	22,886	725,780	-	748,666
Operating Transfers (Out)	(22,400)	(8,906)	(4,500)	(35,806)
TOTAL OTHER FINANCING SOURCES (USES)	<u>486</u>	<u>716,874</u>	<u>(4,500)</u>	<u>712,860</u>
NET CHANGE IN FUND BALANCES	74,278	103,974	101,842	280,094
FUND BALANCES - JULY 1	<u>547,757</u>	<u>1,900,066</u>	<u>123,349</u>	<u>2,571,172</u>
FUND BALANCES - JUNE 30	<u>\$ 622,035</u>	<u>\$ 2,004,040</u>	<u>\$ 225,191</u>	<u>\$ 2,851,266</u>

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

## Special Revenue Funds

Special revenue funds are established to account for the proceeds of specific revenue sources (other than expendable trusts or for major capital projects) that are legally restricted to expenditures for specific purposes.

## TOWN OF BUCKSPORT, MAINE

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2014

	Harbor Improvement	CW Sawyer Marital Trust	Maine Forestry	2008 CDBG CE Grant	Unemployment Reserve	Sick & Vacation Reserve
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-	-	-
Due from other funds	-	10,520	207	2,049	69,965	225,017
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ 10,520</b>	<b>\$ 207</b>	<b>\$ 2,049</b>	<b>\$ 69,965</b>	<b>\$ 225,017</b>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	10,520	-	2,049	-	-
Committed	-	-	-	-	-	-
Assigned	-	-	207	-	69,965	225,017
Unassigned	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>-</b>	<b>10,520</b>	<b>207</b>	<b>2,049</b>	<b>69,965</b>	<b>225,017</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ -</b>	<b>\$ 10,520</b>	<b>\$ 207</b>	<b>\$ 2,049</b>	<b>\$ 69,965</b>	<b>\$ 225,017</b>

## TOWN OF BUCKSPORT, MAINE

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2014

	School Department	CTG Transport Health Access	CDBG Community Enterprise	Food Stamp Nutrition	Christmas Lights	Community Event
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 1,374	\$ -	\$ -
Investments	-	-	-	-	-	-
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-	-	-
Due from other funds	-	-	-	-	9,374	565
TOTAL ASSETS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,374</u>	<u>\$ 9,374</u>	<u>\$ 565</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	1,374	-	-
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	9,374	565
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,374</u>	<u>9,374</u>	<u>565</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,374</u>	<u>\$ 9,374</u>	<u>\$ 565</u>

## TOWN OF BUCKSPORT, MAINE

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2014

	Youth Softball	Bucksport Football	Community Fitness	Bucksport Fire Department	Bucksport Police Department	Local General Assistance
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ 937	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-	-	-
Due from other funds	318	4,670	-	-	-	314
TOTAL ASSETS	<u>\$ 318</u>	<u>\$ 4,670</u>	<u>\$ 937</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 314</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	-	-	-	-	-	-
Assigned	318	4,670	937	-	-	314
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>318</u>	<u>4,670</u>	<u>937</u>	<u>-</u>	<u>-</u>	<u>314</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 318</u>	<u>\$ 4,670</u>	<u>\$ 937</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 314</u>

## TOWN OF BUCKSPORT, MAINE

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2014

	Health Advisor	DARE Program	Youth Council	Police Explorers	Community for Children	Diversion Program
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-	-	-
Due from other funds	21,394	5,963	947	291	1,524	-
TOTAL ASSETS	<u>\$ 21,394</u>	<u>\$ 5,963</u>	<u>\$ 947</u>	<u>\$ 291</u>	<u>\$ 1,524</u>	<u>\$ -</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	-	-	-	-	-	-
Assigned	21,394	5,963	947	291	1,524	-
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>21,394</u>	<u>5,963</u>	<u>947</u>	<u>291</u>	<u>1,524</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 21,394</u>	<u>\$ 5,963</u>	<u>\$ 947</u>	<u>\$ 291</u>	<u>\$ 1,524</u>	<u>\$ -</u>

## TOWN OF BUCKSPORT, MAINE

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2014

	ME Health Access Foundation	District 7 Police Training	MDOT Rt 46 Improvements	Animal Spay/Neuter Program	Thriving in Place	2013 CDBG Housing Assistance
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-	-	-
Due from other funds	-	3,599	-	444	29,386	29,238
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 3,599</u>	<u>\$ -</u>	<u>\$ 444</u>	<u>\$ 29,386</u>	<u>\$ 29,238</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	29,386	29,238
Committed	-	-	-	-	-	-
Assigned	-	3,599	-	444	-	-
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>-</u>	<u>3,599</u>	<u>-</u>	<u>444</u>	<u>29,386</u>	<u>29,238</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ -</u>	<u>\$ 3,599</u>	<u>\$ -</u>	<u>\$ 444</u>	<u>\$ 29,386</u>	<u>\$ 29,238</u>



## TOWN OF BUCKSPORT, MAINE

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2014

	ME Dept of Conservation Silver Lake	Bingham Grant	United Way Grant	2013 JAG Assistance	Micro Loan	Totals
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 102,181	\$ 104,492
Investments	-	-	-	-	54,252	54,252
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-	48,300	48,300
Due from other funds	-	62	-	-	-	415,847
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ 62</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 204,733</b>	<b>\$ 622,891</b>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	856	856
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>856</b>	<b>856</b>
FUND BALANCES						
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	-
Restricted	-	62	-	-	161,499	234,128
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	42,378	387,907
Unassigned	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>-</b>	<b>62</b>	<b>-</b>	<b>-</b>	<b>203,877</b>	<b>622,035</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ -</b>	<b>\$ 62</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 204,733</b>	<b>\$ 622,891</b>

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

## TOWN OF BUCKSPORT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2014

	Harbor Improvement	CW Sawyer Marital Trust	Maine Forestry	2008 CDBG CE Grant	Unemployment Reserve	Sick & Vacation Reserve
REVENUES						
Intergovernmental	\$ 37,459	\$ -	\$ -	\$ -	\$ -	\$ -
Interest, net of unrealized gains/(losses)	-	-	-	-	663	2,015
Donations	-	-	-	-	-	-
Other	-	-	-	-	10,400	-
TOTAL REVENUES	<u>37,459</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,063</u>	<u>2,015</u>
EXPENDITURES						
General Government	-	-	-	-	12,292	4,893
Protection	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-
Human Services	-	6,460	-	-	-	-
Environment & Housing	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-
Capital Outlay	37,459	-	-	-	-	-
TOTAL EXPENDITURES	<u>37,459</u>	<u>6,460</u>	<u>-</u>	<u>-</u>	<u>12,292</u>	<u>4,893</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>(6,460)</u>	<u>-</u>	<u>-</u>	<u>(1,229)</u>	<u>(2,878)</u>
OTHER FINANCING SOURCES (USES)						
Operating Transfers In	-	-	-	-	3,495	17,741
Operating Transfers (Out)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,495</u>	<u>17,741</u>
NET CHANGE IN FUND BALANCES	-	(6,460)	-	-	2,266	14,863
FUND BALANCES - JULY 1	-	16,980	207	2,049	67,699	210,154
FUND BALANCES - JUNE 30	<u>\$ -</u>	<u>\$ 10,520</u>	<u>\$ 207</u>	<u>\$ 2,049</u>	<u>\$ 69,965</u>	<u>\$ 225,017</u>

## TOWN OF BUCKSPORT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2014

	School Department	CTG Transport Health Access	CDBG Community Enterprise	Food Stamp Nutrition	Christmas Lights	Community Event
REVENUES						
Intergovernmental	\$ 14,814	\$ 4,082	\$ 49,402	\$ -	\$ -	\$ -
Interest, net of unrealized gains/(losses)	-	-	-	-	-	-
Donations	-	-	-	-	2,661	-
Other	-	-	-	-	-	-
TOTAL REVENUES	14,814	4,082	49,402	-	2,661	-
EXPENDITURES						
General Government	14,814	-	-	-	-	-
Protection	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-
Human Services	-	4,082	-	-	-	-
Environment & Housing	-	-	-	-	-	-
Culture & Recreation	-	-	27,002	-	2,034	915
Capital Outlay	-	-	-	-	-	-
TOTAL EXPENDITURES	14,814	4,082	27,002	-	2,034	915
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	22,400	-	627	(915)
OTHER FINANCING SOURCES (USES)						
Operating Transfers In	-	-	-	-	-	-
Operating Transfers (Out)	-	-	(22,400)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(22,400)	-	-	-
NET CHANGE IN FUND BALANCES	-	-	-	-	627	(915)
FUND BALANCES - JULY 1	-	-	-	1,374	8,747	1,480
FUND BALANCES - JUNE 30	\$ -	\$ -	\$ -	\$ 1,374	\$ 9,374	\$ 565

## TOWN OF BUCKSPORT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2014

	Youth Softball	Bucksport Football	Community Fitness	Bucksport Fire Department	Bucksport Police Department	Local General Assistance
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ 2,150	\$ 2,000	\$ -
Interest, net of unrealized gains/(losses)	-	-	-	-	-	-
Donations	-	-	-	-	-	-
Other	-	-	-	-	-	-
TOTAL REVENUES	-	-	-	2,150	2,000	-
EXPENDITURES						
General Government	-	-	-	-	-	30
Protection	-	-	-	2,150	2,000	-
Public Works	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-
Human Services	-	-	-	-	-	-
Environment & Housing	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
TOTAL EXPENDITURES	-	-	-	2,150	2,000	30
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-	-	(30)
OTHER FINANCING SOURCES (USES)						
Operating Transfers In	-	-	-	-	-	-
Operating Transfers (Out)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	-	-	-	-	-	(30)
FUND BALANCES - JULY 1	318	4,670	937	-	-	344
FUND BALANCES - JUNE 30	\$ 318	\$ 4,670	\$ 937	\$ -	\$ -	\$ 314

## TOWN OF BUCKSPORT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2014

	Health Advisor	DARE Program	Youth Council	Police Explorers	Community for Children	Diversion Program
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,900
Interest, net of unrealized gains/(losses)	-	-	-	-	-	-
Donations	-	-	-	-	-	-
Other	20,075	-	-	-	-	3,230
TOTAL REVENUES	20,075	-	-	-	-	20,130
EXPENDITURES						
General Government	-	-	-	-	-	-
Protection	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-
Human Services	2,610	-	-	-	-	20,130
Environment & Housing	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
TOTAL EXPENDITURES	2,610	-	-	-	-	20,130
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	17,465	-	-	-	-	-
OTHER FINANCING SOURCES (USES)						
Operating Transfers In	1,650	-	-	-	-	-
Operating Transfers (Out)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	1,650	-	-	-	-	-
NET CHANGE IN FUND BALANCES	19,115	-	-	-	-	-
FUND BALANCES - JULY 1	2,279	5,963	947	291	1,524	-
FUND BALANCES - JUNE 30	\$ 21,394	\$ 5,963	\$ 947	\$ 291	\$ 1,524	\$ -

## TOWN OF BUCKSPORT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2014

	ME Health Access Foundation	District 7 Police Training	MDOT Rt 46 Improvements	Animal Spay/Neuter Program	Thriving in Place	2013 CDBG Housing Assistance
REVENUES						
Intergovernmental	\$ -	\$ 3,599	\$ 590,000	\$ -	\$ 40,000	\$ 114,063
Interest, net of unrealized gains/(losses)	-	-	-	-	-	-
Donations	-	-	-	-	-	-
Other	-	-	-	964	-	-
TOTAL REVENUES	-	3,599	590,000	964	40,000	114,063
EXPENDITURES						
General Government	-	-	-	-	-	-
Protection	-	-	-	520	-	-
Public Works	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-
Human Services	18,050	-	-	-	10,614	-
Environment & Housing	-	-	-	-	-	84,825
Culture & Recreation	-	-	-	-	-	-
Capital Outlay	-	-	590,000	-	-	-
TOTAL EXPENDITURES	18,050	-	590,000	520	10,614	84,825
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(18,050)	3,599	-	444	29,386	29,238
OTHER FINANCING SOURCES (USES)						
Operating Transfers In	-	-	-	-	-	-
Operating Transfers (Out)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	(18,050)	3,599	-	444	29,386	29,238
FUND BALANCES - JULY 1	18,050	-	-	-	-	-
FUND BALANCES - JUNE 30	\$ -	\$ 3,599	\$ -	\$ 444	\$ 29,386	\$ 29,238

## TOWN OF BUCKSPORT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2014

	ME Dept of Conservation Silver Lake	Bingham Grant	United Way Grant	2013 JAG Assistance	Micro Loan	Totals
REVENUES						
Intergovernmental	\$ -	\$ -	\$ 5,000	\$ 7,278	\$ -	\$ 886,747
Interest, net of unrealized gains/(losses)	-	-	-	-	1,532	4,210
Donations	-	57	-	-	-	2,718
Other	-	-	-	-	-	34,669
TOTAL REVENUES	-	57	5,000	7,278	1,532	928,344
EXPENDITURES						
General Government	-	-	-	-	62	32,091
Protection	-	-	-	7,278	-	11,948
Public Works	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-
Human Services	-	1,332	5,000	-	-	68,278
Environment & Housing	-	-	-	-	-	84,825
Culture & Recreation	-	-	-	-	-	29,951
Capital Outlay	-	-	-	-	-	627,459
TOTAL EXPENDITURES	-	1,332	5,000	7,278	62	854,552
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(1,275)	-	-	1,470	73,792
OTHER FINANCING SOURCES (USES)						
Operating Transfers In	-	-	-	-	-	22,886
Operating Transfers (Out)	-	-	-	-	-	(22,400)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	486
NET CHANGE IN FUND BALANCES	-	(1,275)	-	-	1,470	74,278
FUND BALANCES - JULY 1	-	1,337	-	-	202,407	547,757
FUND BALANCES - JUNE 30	\$ -	\$ 62	\$ -	\$ -	\$ 203,877	\$ 622,035

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

## Capital Project Funds

Capital project funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds.



## TOWN OF BUCKSPORT, MAINE

COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECT FUNDS  
JUNE 30, 2014

	<u>Police Equipment</u>	<u>Highway Equipment</u>	<u>Waterfront Improvements</u>	<u>Fire Equipment</u>	<u>Ambulance</u>	<u>Town Office Equipment</u>	<u>Solid Waste Equipment</u>
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	37,978	120,499	90,072	38,960	192,205	44,189	124,210
TOTAL ASSETS	<u>\$ 37,978</u>	<u>\$ 120,499</u>	<u>\$ 90,072</u>	<u>\$ 38,960</u>	<u>\$ 192,205</u>	<u>\$ 44,189</u>	<u>\$ 124,210</u>
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	37,978	120,499	90,072	38,960	192,205	44,189	124,210
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>37,978</u>	<u>120,499</u>	<u>90,072</u>	<u>38,960</u>	<u>192,205</u>	<u>44,189</u>	<u>124,210</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 37,978</u>	<u>\$ 120,499</u>	<u>\$ 90,072</u>	<u>\$ 38,960</u>	<u>\$ 192,205</u>	<u>\$ 44,189</u>	<u>\$ 124,210</u>

## TOWN OF BUCKSPORT, MAINE

COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECT FUNDS  
JUNE 30, 2014

	<u>School St Fire House</u>	<u>Recreation Equipment</u>	<u>Cable TV</u>	<u>Dispatch Equipment</u>	<u>Municipal Building</u>	<u>Dog Kennel</u>	<u>Swimming Pool</u>
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	10,155	79,725	23,431	70,526	56,275	23,423	49,716
TOTAL ASSETS	<u>\$ 10,155</u>	<u>\$ 79,725</u>	<u>\$ 23,431</u>	<u>\$ 70,526</u>	<u>\$ 56,275</u>	<u>\$ 23,423</u>	<u>\$ 49,716</u>
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	10,155	79,725	23,431	70,526	56,275	23,423	49,716
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>10,155</u>	<u>79,725</u>	<u>23,431</u>	<u>70,526</u>	<u>56,275</u>	<u>23,423</u>	<u>49,716</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 10,155</u>	<u>\$ 79,725</u>	<u>\$ 23,431</u>	<u>\$ 70,526</u>	<u>\$ 56,275</u>	<u>\$ 23,423</u>	<u>\$ 49,716</u>

## TOWN OF BUCKSPORT, MAINE

COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECT FUNDS  
JUNE 30, 2014

	<u>Town Garage</u>	<u>Parking Lots</u>	<u>Recreation Facility</u>	<u>Transfer Station</u>	<u>Public Safety</u>	<u>Chamber Building</u>	<u>Jewett School Community</u>
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	101,485	12,172	92,237	51,930	50,209	4,207	28,108
TOTAL ASSETS	<u>\$ 101,485</u>	<u>\$ 12,172</u>	<u>\$ 92,237</u>	<u>\$ 51,930</u>	<u>\$ 50,209</u>	<u>\$ 4,207</u>	<u>\$ 28,108</u>
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	101,485	12,172	92,237	51,930	50,209	4,207	28,108
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>101,485</u>	<u>12,172</u>	<u>92,237</u>	<u>51,930</u>	<u>50,209</u>	<u>4,207</u>	<u>28,108</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 101,485</u>	<u>\$ 12,172</u>	<u>\$ 92,237</u>	<u>\$ 51,930</u>	<u>\$ 50,209</u>	<u>\$ 4,207</u>	<u>\$ 28,108</u>

## SCHEDULE G (CONTINUED)

## TOWN OF BUCKSPORT, MAINE

COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECT FUNDS  
JUNE 30, 2014

	Gardiner School	Middle School	Downtown Improvements	Drug Forfeiture	Willow & Wasson House	Defense Fund	Information Technology	Recreation Revenue Reserve
ASSETS								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	155	5,038	42,740	7,817	1,336	1,664	5,746	96,154
TOTAL ASSETS	<u>\$ 155</u>	<u>\$ 5,038</u>	<u>\$ 42,740</u>	<u>\$ 7,817</u>	<u>\$ 1,336</u>	<u>\$ 1,664</u>	<u>\$ 5,746</u>	<u>\$ 96,154</u>
LIABILITIES								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-
Committed	155	5,038	42,740	7,817	1,336	1,664	5,746	-
Assigned	-	-	-	-	-	-	-	96,154
Unassigned	-	-	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>155</u>	<u>5,038</u>	<u>42,740</u>	<u>7,817</u>	<u>1,336</u>	<u>1,664</u>	<u>5,746</u>	<u>96,154</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 155</u>	<u>\$ 5,038</u>	<u>\$ 42,740</u>	<u>\$ 7,817</u>	<u>\$ 1,336</u>	<u>\$ 1,664</u>	<u>\$ 5,746</u>	<u>\$ 96,154</u>

## SCHEDULE G (CONTINUED)

## TOWN OF BUCKSPORT, MAINE

COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECT FUNDS  
JUNE 30, 2014

	Housing Rehabilitation	Silver Lake Property	Highway Improvement	Industrial Park Land	Natural Gas	Mile Lane Concession	Rte 46 Highway Improvements	Totals
<b>ASSETS</b>								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	1,181	30,540	340,351	11,427	101,677	18,243	38,259	2,004,040
<b>TOTAL ASSETS</b>	<u>\$ 1,181</u>	<u>\$ 30,540</u>	<u>\$ 340,351</u>	<u>\$ 11,427</u>	<u>\$ 101,677</u>	<u>\$ 18,243</u>	<u>\$ 38,259</u>	<u>\$ 2,004,040</u>
<b>LIABILITIES</b>								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-
Committed	1,181	30,540	340,351	11,427	101,677	18,243	38,259	1,907,886
Assigned	-	-	-	-	-	-	-	96,154
Unassigned	-	-	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>1,181</u>	<u>30,540</u>	<u>340,351</u>	<u>11,427</u>	<u>101,677</u>	<u>18,243</u>	<u>38,259</u>	<u>2,004,040</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 1,181</u>	<u>\$ 30,540</u>	<u>\$ 340,351</u>	<u>\$ 11,427</u>	<u>\$ 101,677</u>	<u>\$ 18,243</u>	<u>\$ 38,259</u>	<u>\$ 2,004,040</u>

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

## TOWN OF BUCKSPORT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECT FUNDS  
FOR THE YEAR ENDED JUNE 30, 2014

	Police Equipment	Highway Equipment	Waterfront Improvements	Fire Equipment	Ambulance	Town Office Equipment	Solid Waste Equipment
REVENUES							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest, net of unrealized gains/(losses)	443	1,544	1,117	934	1,747	484	1,181
Other	-	-	-	-	-	-	-
TOTAL REVENUES	<u>443</u>	<u>1,544</u>	<u>1,117</u>	<u>934</u>	<u>1,747</u>	<u>484</u>	<u>1,181</u>
EXPENDITURES							
General Government	-	-	-	-	-	614	-
Protection	1,435	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-	-
Capital Outlay	31,287	50,456	50,874	144,344	-	3,262	-
TOTAL EXPENDITURES	<u>32,722</u>	<u>50,456</u>	<u>50,874</u>	<u>144,344</u>	<u>-</u>	<u>3,876</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(32,279)</u>	<u>(48,912)</u>	<u>(49,757)</u>	<u>(143,410)</u>	<u>1,747</u>	<u>(3,392)</u>	<u>1,181</u>
OTHER FINANCING SOURCES (USES)							
Operating Transfers In	15,000	55,000	69,516	-	52,000	7,000	12,000
Operating Transfers (Out)	-	-	-	(3,000)	-	(5,906)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>15,000</u>	<u>55,000</u>	<u>69,516</u>	<u>(3,000)</u>	<u>52,000</u>	<u>1,094</u>	<u>12,000</u>
NET CHANGE IN FUND BALANCES	(17,279)	6,088	19,759	(146,410)	53,747	(2,298)	13,181
FUND BALANCES - JULY 1	<u>55,257</u>	<u>114,411</u>	<u>70,313</u>	<u>185,370</u>	<u>138,458</u>	<u>46,487</u>	<u>111,029</u>
FUND BALANCES - JUNE 30	<u>\$ 37,978</u>	<u>\$ 120,499</u>	<u>\$ 90,072</u>	<u>\$ 38,960</u>	<u>\$ 192,205</u>	<u>\$ 44,189</u>	<u>\$ 124,210</u>

## TOWN OF BUCKSPORT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR CAPITAL PROJECT FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2014

	School St Fire House	Recreation Equipment	Cable TV	Dispatch Equipment	Municipal Building	Dog Kennel	Swimming Pool
REVENUES							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest, net of unrealized gains/(losses)	99	781	224	692	534	208	477
Other	-	-	-	-	-	-	-
TOTAL REVENUES	<u>99</u>	<u>781</u>	<u>224</u>	<u>692</u>	<u>534</u>	<u>208</u>	<u>477</u>
EXPENDITURES							
General Government	-	-	-	-	-	-	-
Protection	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-	-
Capital Outlay	-	3,400	-	-	-	1,855	-
TOTAL EXPENDITURES	<u>-</u>	<u>3,400</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,855</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>99</u>	<u>(2,619)</u>	<u>224</u>	<u>692</u>	<u>534</u>	<u>(1,647)</u>	<u>477</u>
OTHER FINANCING SOURCES (USES)							
Operating Transfers In	1,000	12,000	2,000	2,500	6,000	4,382	3,000
Operating Transfers (Out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,000</u>	<u>12,000</u>	<u>2,000</u>	<u>2,500</u>	<u>6,000</u>	<u>4,382</u>	<u>3,000</u>
NET CHANGE IN FUND BALANCES	1,099	9,381	2,224	3,192	6,534	2,735	3,477
FUND BALANCES - JULY 1	<u>9,056</u>	<u>70,344</u>	<u>21,207</u>	<u>67,334</u>	<u>49,741</u>	<u>20,688</u>	<u>46,239</u>
FUND BALANCES - JUNE 30	<u>\$ 10,155</u>	<u>\$ 79,725</u>	<u>\$ 23,431</u>	<u>\$ 70,526</u>	<u>\$ 56,275</u>	<u>\$ 23,423</u>	<u>\$ 49,716</u>

## TOWN OF BUCKSPORT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR CAPITAL PROJECT FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2014

	Town Garage	Parking Lots	Recreation Facility	Transfer Station	Public Safety	Chamber Building	Jewett School Community
REVENUES							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest, net of unrealized gains/(losses)	974	133	894	512	628	43	259
Other	-	-	-	-	151	-	-
TOTAL REVENUES	<u>974</u>	<u>133</u>	<u>894</u>	<u>512</u>	<u>779</u>	<u>43</u>	<u>259</u>
EXPENDITURES							
General Government	-	-	-	-	-	245	-
Protection	-	-	-	-	-	-	-
Public Works	-	107	-	-	-	-	-
Health and Sanitation	-	-	-	25	-	-	-
Culture & Recreation	-	-	3,508	-	-	-	-
Capital Outlay	-	1,556	-	6,290	12,923	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>1,663</u>	<u>3,508</u>	<u>6,315</u>	<u>12,923</u>	<u>245</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>974</u>	<u>(1,530)</u>	<u>(2,614)</u>	<u>(5,803)</u>	<u>(12,144)</u>	<u>(202)</u>	<u>259</u>
OTHER FINANCING SOURCES (USES)							
Operating Transfers In	10,000	7,000	13,000	10,000	-	-	6,000
Operating Transfers (Out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>10,000</u>	<u>7,000</u>	<u>13,000</u>	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>6,000</u>
NET CHANGE IN FUND BALANCES	10,974	5,470	10,386	4,197	(12,144)	(202)	6,259
FUND BALANCES - JULY 1	<u>90,511</u>	<u>6,702</u>	<u>81,851</u>	<u>47,733</u>	<u>62,353</u>	<u>4,409</u>	<u>21,849</u>
FUND BALANCES - JUNE 30	<u>\$ 101,485</u>	<u>\$ 12,172</u>	<u>\$ 92,237</u>	<u>\$ 51,930</u>	<u>\$ 50,209</u>	<u>\$ 4,207</u>	<u>\$ 28,108</u>



## TOWN OF BUCKSPORT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR CAPITAL PROJECT FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2014

	Gardiner School	Middle School	Downtown Improvements	Drug Forfeiture	Willow & Wasson House	Defense Fund	Information Technology	Recreation Revenue Reserve
REVENUES								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest, net of unrealized gains/(losses)	2	38	290	60	13	16	47	924
Other	-	-	10,293	6,794	-	-	-	-
TOTAL REVENUES	<u>2</u>	<u>38</u>	<u>10,583</u>	<u>6,854</u>	<u>13</u>	<u>16</u>	<u>47</u>	<u>924</u>
EXPENDITURES								
General Government	-	-	-	-	-	-	-	-
Protection	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-	-	-
Capital Outlay	-	-	28,135	-	-	-	4,407	2,525
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>28,135</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,407</u>	<u>2,525</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>2</u>	<u>38</u>	<u>(17,552)</u>	<u>6,854</u>	<u>13</u>	<u>16</u>	<u>(4,360)</u>	<u>(1,601)</u>
OTHER FINANCING SOURCES (USES)								
Operating Transfers In	-	5,000	44,400	-	-	-	10,106	3,876
Operating Transfers (Out)	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>5,000</u>	<u>44,400</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,106</u>	<u>3,876</u>
NET CHANGE IN FUND BALANCES	2	5,038	26,848	6,854	13	16	5,746	2,275
FUND BALANCES - JULY 1	<u>153</u>	<u>-</u>	<u>15,892</u>	<u>963</u>	<u>1,323</u>	<u>1,648</u>	<u>-</u>	<u>\$ 93,879</u>
FUND BALANCES - JUNE 30	<u>\$ 155</u>	<u>\$ 5,038</u>	<u>\$ 42,740</u>	<u>\$ 7,817</u>	<u>\$ 1,336</u>	<u>\$ 1,664</u>	<u>\$ 5,746</u>	<u>\$ 96,154</u>

## SCHEDULE H (CONTINUED)

## TOWN OF BUCKSPORT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR CAPITAL PROJECT FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2014

	Housing Rehabilitation	Silver Lake Property	Highway Improvement	Industrial Park Land	Natural Gas	Mile Lane Concession	Rte 46 Highway Improvements	Totals
REVENUES								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Interest, net of unrealized gains/(losses)	12	309	3,439	111	457	173	91	19,890
Other	-	100	-	-	-	-	-	17,338
TOTAL REVENUES	<u>12</u>	<u>409</u>	<u>3,439</u>	<u>111</u>	<u>457</u>	<u>173</u>	<u>91</u>	<u>37,228</u>
EXPENDITURES								
General Government	-	-	-	-	-	-	-	859
Protection	-	-	-	-	-	-	-	1,435
Public Works	-	-	-	-	260	-	-	367
Health and Sanitation	-	-	-	-	-	-	-	25
Culture & Recreation	-	-	-	-	-	-	-	3,508
Capital Outlay	-	4,487	27,850	-	-	-	270,283	643,934
TOTAL EXPENDITURES	<u>-</u>	<u>4,487</u>	<u>27,850</u>	<u>-</u>	<u>260</u>	<u>-</u>	<u>270,283</u>	<u>650,128</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>12</u>	<u>(4,078)</u>	<u>(24,411)</u>	<u>111</u>	<u>197</u>	<u>173</u>	<u>(270,192)</u>	<u>(612,900)</u>
OTHER FINANCING SOURCES (USES)								
Operating Transfers In	-	13,000	120,000	-	-	2,000	240,000	725,780
Operating Transfers (Out)	-	-	-	-	-	-	-	(8,906)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>13,000</u>	<u>120,000</u>	<u>-</u>	<u>-</u>	<u>2,000</u>	<u>240,000</u>	<u>716,874</u>
NET CHANGE IN FUND BALANCES	12	8,922	95,589	111	197	2,173	(30,192)	103,974
FUND BALANCES - JULY 1	<u>1,169</u>	<u>21,618</u>	<u>244,762</u>	<u>11,316</u>	<u>101,480</u>	<u>16,070</u>	<u>68,451</u>	<u>1,900,066</u>
FUND BALANCES - JUNE 30	<u>\$ 1,181</u>	<u>\$ 30,540</u>	<u>\$ 340,351</u>	<u>\$ 11,427</u>	<u>\$ 101,677</u>	<u>\$ 18,243</u>	<u>\$ 38,259</u>	<u>\$ 2,004,040</u>

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

### Permanent Funds

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

## TOWN OF BUCKSPORT, MAINE

COMBINING BALANCE SHEET – NONMAJOR PERMANENT FUNDS  
JUNE 30, 2014

	Cemetery Trusts	Spofford Indigent Fund	Ministerial Fund	Colonoscopy Fund	Oak Hill Cemetery	Totals
<b>ASSETS</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 99,878	\$ 99,878
Investments	32,226	-	-	-	-	32,226
Due from other funds	32,121	53,884	6,924	897	-	93,826
<b>TOTAL ASSETS</b>	<u>\$ 64,347</u>	<u>\$ 53,884</u>	<u>\$ 6,924</u>	<u>\$ 897</u>	<u>\$ 99,878</u>	<u>\$ 225,930</u>
<b>LIABILITIES</b>						
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ 739	\$ 739
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>739</u>	<u>739</u>
<b>FUND BALANCES</b>						
Nonspendable - principal	21,097	39,826	2,300	-	76,975	140,198
Restricted	-	-	-	-	-	-
Committed	-	-	-	-	-	-
Assigned	43,250	14,058	4,624	897	22,164	84,993
Unassigned	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>64,347</u>	<u>53,884</u>	<u>6,924</u>	<u>897</u>	<u>99,139</u>	<u>225,191</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 64,347</u>	<u>\$ 53,884</u>	<u>\$ 6,924</u>	<u>\$ 897</u>	<u>\$ 99,878</u>	<u>\$ 225,930</u>

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

## TOWN OF BUCKSPORT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR PERMANENT FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2014

	Cemetery Trusts	Spofford Indigent Fund	Ministerial Fund	Colonoscopy Fund	Oak Hill Cemetery	Totals
REVENUES						
Investment income, net of unrealized gains/(losses)	\$ 8,286	\$ 575	\$ 67	\$ 9	\$ 11,755	\$ 20,692
Donations	-	-	-	-	-	-
Other	-	-	-	-	92,482	92,482
TOTAL REVENUES	<u>8,286</u>	<u>575</u>	<u>67</u>	<u>9</u>	<u>104,237</u>	<u>113,174</u>
EXPENDITURES						
Cemetery	1,734	-	-	-	5,098	6,832
Other	-	-	-	-	-	-
TOTAL EXPENDITURES	<u>1,734</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,098</u>	<u>6,832</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>6,552</u>	<u>575</u>	<u>67</u>	<u>9</u>	<u>99,139</u>	<u>106,342</u>
OTHER FINANCING SOURCES (USES)						
Operating Transfers In	-	-	-	-	-	-
Operating Transfers (Out)	-	(4,500)	-	-	-	(4,500)
TOTAL OTHER FINANCING (USES)	<u>-</u>	<u>(4,500)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,500)</u>
NET CHANGE IN FUND BALANCES	6,552	(3,925)	67	9	99,139	101,842
FUND BALANCES - JULY 1	<u>57,795</u>	<u>57,809</u>	<u>6,857</u>	<u>888</u>	<u>-</u>	<u>123,349</u>
FUND BALANCES - JUNE 30	<u>\$ 64,347</u>	<u>\$ 53,884</u>	<u>\$ 6,924</u>	<u>\$ 897</u>	<u>\$ 99,139</u>	<u>\$ 225,191</u>

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

## General Capital Assets

General capital assets are those assets related to activities reported in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position.

## TOWN OF BUCKSPORT, MAINE

SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION  
JUNE 30, 2014

	Land and Non-depreciable Assets	Buildings, Building Improvements & Land Improvements	Furniture, Fixtures, Equipment & Vehicles	Infrastructure	Totals
General government	\$ 1,418,355	\$ 620,121	\$ 93,370	\$ 1,815,600	\$ 3,947,446
Protection	33,757	2,032,290	2,215,917	-	4,281,964
Public works	1,243,883	1,195,432	1,523,037	8,330,512	12,292,864
Health and sanitation	14,000	298,987	164,576	6,290	483,853
Recreation	309,676	724,306	90,766	1,472,703	2,597,451
Sewer fund	978,341	5,421,590	131,537	5,645,073	12,176,541
Marina	-	45,593	5,307	25,813	76,713
Total General Capital Assets	3,998,012	10,338,319	4,224,510	17,295,991	35,856,832
Less: Accumulated Depreciation	-	(5,419,891)	(2,914,307)	(10,677,814)	(19,012,012)
Net General Capital Assets	<u>\$ 3,998,012</u>	<u>\$ 4,918,428</u>	<u>\$ 1,310,203</u>	<u>\$ 6,618,177</u>	<u>\$ 16,844,820</u>

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

## TOWN OF BUCKSPORT, MAINE

SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS BY FUNCTION  
FOR THE YEAR ENDED JUNE 30, 2014

	General Capital Assets 7/1/13	Additions	Deletions	General Capital Assets 6/30/14
General government	\$ 3,589,602	\$ 357,844	\$ -	\$ 3,947,446
Protection	4,055,101	226,863	-	4,281,964
Public works	11,399,819	936,414	(43,369)	12,292,864
Health and sanitation	477,563	6,290	-	483,853
Recreation	2,588,292	9,159	-	2,597,451
Sewer fund	11,969,040	207,501	-	12,176,541
Marina	-	76,713	-	76,713
Total General Capital Assets	34,079,417	1,820,784	(43,369)	35,856,832
Less: Accumulated Depreciation	(18,023,701)	(1,018,692)	30,381	(19,012,012)
Net General Capital Assets	<u>\$ 16,055,716</u>	<u>\$ 802,092</u>	<u>\$ (12,988)</u>	<u>\$ 16,844,820</u>

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