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2015

## Town of Camden Maine Financial Audit 2015

Camden, Me.

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**TOWN OF CAMDEN, MAINE**  
**Annual Financial Report**  
**For The Fiscal Year Ended June 30, 2015**

**TOWN OF CAMDEN, MAINE**  
**Annual Financial Report**  
**For the year ended June 30, 2015**

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**TOWN OF CAMDEN, MAINE**  
**Annual Financial Report**  
**For the year ended June 30, 2015**

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## Independent Auditor's Report

Select Board  
Town of Camden, Maine

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Camden, Maine as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Town of Camden, Maine's basic financial statements, as listed in the table of contents.

#### ***Management's Responsibility for the Financial Statements***

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

#### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Camden, Maine as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund 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, schedule of proportionate share of the net pension liability, and schedule of contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

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

The combining and individual fund financial statements and schedules 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2015 on our consideration of the Town of Camden, Maine's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Camden, Maine's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Ryan Keenan Ouellette". The signature is written in a cursive style with a large initial 'R'.

December 11, 2015  
South Portland, Maine

**TOWN OF CAMDEN, MAINE**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2015**

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**Introduction**

As the Financial Director of the Town of Camden, Maine, I am pleased to provide you with the Management Discussion and Analysis report as part of our annual financial statements for the fiscal year ending June 30, 2015 according to the standards set forth under Governmental Accounting Standards Board Statement No. 34, also known as GASB 34.

**Financial Highlights**

- The financial statements attached reflect all of the governmental, business-type and fiduciary funds of the Town of Camden, Maine. Total governmental and business-type assets were \$24,040,862. Total governmental and business-type liabilities were \$4,985,330 and net position was \$18,820,082. Of this figure, \$13,872,166 is the net investment in capital assets and \$2,564,344 is restricted for non-expendable trust principal and \$1,575,993 for grants. The unrestricted amount is \$807,579.
- The Town of Camden's net position increased by \$2,778,812.
- As of the close of the most recent fiscal year, the Town of Camden's governmental funds reported combined ending fund balances of \$6,142,423, a decrease of \$1,837,378 in comparison with the prior year.
- At the end of the most recent fiscal year, unassigned fund balance for the general fund was \$1,354,919, or 7.50% of total general fund expenditures of \$18,074,625.

**Overview of the Financial Statements**

This report is intended to serve as a helpful tool that will assist the reader and provide information about the Town of Camden's basic financial statements. The Town's financial statements can be separated into three groups: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. Other supplemental information to the basic financial statements is also provided.

**Government-wide Financial Statements.** The *government-wide financial statements* provide a broad overview of the Town of Camden, Maine's finances. The two statements used are the Statement of Net Position and the Statement of Activities. Both statements include all Town assets and liabilities using the *accrual basis of accounting*.

**The Statement of Net Position** presents information on the Town's assets and deferred outflows of resources, less liabilities and deferred inflows of resources, with the difference being *net position*. Over time, changes in net position (increases or decreases) may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

**The Statement of Activities** presents information showing how the Town's net position has changed during the last fiscal year. All changes in net position are reported as soon as the change or event occurs, regardless of the timing of the cash flow. This means that revenues and expenses are reported in this statement even if the result in cash flow does not occur until future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish between the activities of the Town that are principally supported by taxes and intergovernmental revenues (*governmental activities*) and those activities that recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The Camden Snow Bowl is a business-type activity. Governmental activities include administration, public safety, public works, recreation programs, county tax, education, charitable aid, cemetery care, debt service and capital maintenance expenses.

The government-wide financial statements can be found on pages 13 and 14.



**TOWN OF CAMDEN, MAINE**  
**Management's Discussion and Analysis, Continued**

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**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 Camden, Maine, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the Town can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

**Governmental funds** are used to report most of the Town's basic services. Money flowing into and out of accounts can be tracked here. Balances left at year-end that are available for spending will also be reported here. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information can help to determine what financial resources are available in the near future to finance the Town's activities.

The governmental funds financial statements can be found on pages 15 and 16.

**Fiduciary funds** are used to account for monies held for the benefit of parties outside the Town. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town of Camden, Maine's programs.

The fiduciary funds financial statements can be found on page 22.

**Proprietary funds** are used to report charges to customers for services provided by the Town. The Camden Snow Bowl is a proprietary fund. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities.

The proprietary funds financial statements can be found on pages 19-21.

**The Town of Camden, Maine as Trustee**

The Town of Camden, Maine is trustee, or fiduciary, for assets (because of trust arrangements) that can be used only for the benefit of the trust's beneficiaries. The Camden Cemetery Association is reported in this category. This fiduciary activity is reported on page 22 of the audit report.

**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 fund financial statements. The notes to the financial statements can be found on pages 23-45 of this report.

**Other information.** The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the basic financial statements. Combining and individual fund statements and schedules can be found on pages 51-70 of this report.

**Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town of Camden, Maine, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$18,820,082 at the close of the most recent fiscal year.

A portion of the Town of Camden, Maine's net position (74%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding.

**TOWN OF CAMDEN, MAINE**  
**Management's Discussion and Analysis, Continued**

The Town uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current and other assets	\$ 7,608,350	8,551,965	(161,784)	(57,174)	7,446,566	8,494,791
Capital assets	11,627,897	11,446,327	4,966,399	775,017	16,594,296	12,221,344
<b>Total assets</b>	<b>19,236,247</b>	<b>19,998,292</b>	<b>4,804,615</b>	<b>717,843</b>	<b>24,040,862</b>	<b>20,716,135</b>
Deferred outflows of resources	287,770	138,729	-	-	287,770	138,729
Long-term liabilities	3,713,167	4,354,306	34,562	63,346	3,747,729	4,417,652
Other liabilities	1,237,601	395,942	-	-	1,237,601	395,942
<b>Total liabilities</b>	<b>4,950,768</b>	<b>4,750,248</b>	<b>34,562</b>	<b>63,346</b>	<b>4,985,330</b>	<b>4,813,594</b>
Deferred inflows of resources	523,220	-	-	-	523,220	-
Net investment in capital assets	8,905,767	8,564,867	4,966,399	738,345	13,872,166	9,303,212
Restricted	4,140,337	3,860,544	-	-	4,140,337	3,860,544
Unrestricted	1,003,925	2,961,362	(196,346)	(83,848)	807,579	2,877,514
<b>Total net position</b>	<b>\$ 14,050,029</b>	<b>15,386,773</b>	<b>4,770,053</b>	<b>654,497</b>	<b>18,820,082</b>	<b>16,041,270</b>

An additional portion of the Town of Camden, Maine's net position (22%) represents resources that are subject to external restrictions on how they may be used. The remaining balance is *unrestricted net position* \$807,579.

At the end of the current fiscal year, the Town of Camden, Maine is able to report a positive balance in governmental activities.

**TOWN OF CAMDEN, MAINE**  
**Management's Discussion and Analysis, Continued**

**Town of Camden's Changes in Net Position**

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 2,396,623	2,456,396	811,113	773,564	3,207,736	3,229,960
Operating grants and contributions	296,942	317,220	-	266,509	296,942	583,729
Capital grants and contributions	2,322,642	-	-	-	2,322,642	-
General revenues:						
Property taxes	15,893,248	15,407,167	-	-	15,893,248	15,407,167
Excise taxes	951,080	912,924	-	-	951,080	912,924
Grants not restricted to specific programs						
	274,305	277,253	-	-	274,305	277,253
Other	129,494	146,726	-	(1,412)	129,494	145,314
Transfer	-	(20,000)	-	20,000	-	-
<b>Total revenues</b>	<b>22,264,334</b>	<b>19,497,686</b>	<b>811,113</b>	<b>1,058,661</b>	<b>23,075,447</b>	<b>20,556,347</b>
<b>Expenses:</b>						
General government	3,323,504	3,459,023	-	-	3,323,504	3,459,023
Public safety	2,011,952	1,842,384	-	-	2,011,952	1,842,384
Highways, streets and bridges	1,538,139	1,463,942	-	-	1,538,139	1,463,942
Human services	64,361	63,007	-	-	64,361	63,007
Leisure services	983,347	928,667	-	-	983,347	928,667
Cemeteries	115,273	114,895	-	-	115,273	114,895
Education	10,053,744	9,814,150	-	-	10,053,744	9,814,150
Solid waste, sewer and other	701,208	1,050,734	-	-	701,208	1,050,734
Interest on debt service	84,830	58,655	-	-	84,830	58,655
Non-capital maintenance	485,305	-	-	-	485,305	-
Camden Snow Bowl	-	-	934,972	864,270	934,972	864,270
<b>Total expenses</b>	<b>19,361,663</b>	<b>18,795,457</b>	<b>934,972</b>	<b>864,270</b>	<b>20,296,635</b>	<b>19,659,727</b>
Change in net position	2,902,671	702,229	(123,859)	194,391	2,778,812	896,620
Transfers	(4,239,415)	-	4,239,415	-	-	-
Net position--July 1*	15,386,773	15,673,659	654,497	460,106	16,041,270	16,133,765
<b>Net position--June 30</b>	<b>\$ 14,050,029</b>	<b>16,375,888</b>	<b>4,770,053</b>	<b>654,497</b>	<b>18,820,082</b>	<b>17,030,385</b>

\* The July 1, 2014 beginning balance for governmental activities has been restated due to the implementation of GASB #68, effectively reducing net position by \$989,115.

**TOWN OF CAMDEN, MAINE**  
**Management’s Discussion and Analysis, Continued**

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The Town of Camden, Maine’s net position increased by \$2,778,812 (17.3%) during the current fiscal year. The increase in net position for governmental activities was primarily the result of investment in capital assets that increase total assets but are not expensed immediately. The decrease in net position in business-type activities was the result of increased spending.

**Financial Highlights (Fund Financial Statements)**

The difference between the Town of Camden, Maine’s assets and liabilities is called “fund balance”. Fund balance can be broken down into five categories; nonspendable, restricted, committed, assigned and unassigned. The Town’s fund balance was \$2,863,445 on June 30, 2015 (general fund only). Of this, the nonspendable amount was \$8,526, the unassigned amount was \$1,354,919 and the assigned amount was \$1,500,000. Assigned funds are carried into the fiscal year 2015-2016 budget and used for projects that are ongoing or uncompleted at fiscal year-end. The total fund balance for the General Fund decreased \$131,873 from the June 30, 2014 fund balance of \$2,995,318.

The Town reported three other major funds in 2015 (Statement 3 and Statement 4). The sewer operations fund ended the year with a fund balance of \$741,895, an increase from 2014 of \$228,548. The Charles Wood fund had an ending fund balance at June 30, 2015 of \$1,841,643, which was an increase from 2014 of \$97,783. Of the fund balance total of \$1,841,643, \$902,731 was restricted for nonspendable trust principal. The RMRA Redevelopment fund had an ending fund balance of (\$2,317,236), which was a decrease from 2014 of \$2,238,651. All other governmental funds are reported in the aggregate as nonmajor funds on Statement 3 and Statement 4 as “Other Governmental Funds”. Detail of these funds can be seen in the exhibits and schedules following the footnotes starting on page 53.

The Town’s business-type activity, the Camden Snow Bowl, realized an increase in operating revenues of \$37,549 or 4.9%. Snow Bowl operating expenses increased by \$72,462 or 8.40%. This resulted in an operating loss of (\$123,859).

The original budget as presented on Statement 6 was revised by adding \$179,597 to the expenditure budget for prior year carryforward balances, and \$225,376 for capital leases.

Revenues collected in the General Fund were over budget expectations by \$72,107. Interest earned was less than expected by \$914. Other revenues were less than expected by \$9,879. Revenues that made up some of the excess over budgeted amounts were taxes - \$20,116, intergovernmental - \$246, licenses and permits - \$6,202 and charges for services - \$56,336. Expenditures were under budget by \$295,037; however, of this amount, \$179,597 represented carryforwards.

**Capital Assets**

The Town of Camden, Maine’s investment in capital assets for its governmental and business-type activities as of June 30, 2015, amounts to \$16,594,296 (net of accumulated depreciation). This investment in capital assets includes land and buildings, furniture and equipment, vehicles and infrastructure. The total increase in the Town of Camden, Maine’s net in capital assets for the current fiscal year was \$4,372,952.

Major capital asset events during the recently ended fiscal year included the following:

<ul style="list-style-type: none"> <li>• Vehicles – Public Safety \$33,712</li> </ul>	<ul style="list-style-type: none"> <li>• Ragged Mountain Redevelopment - Snow Bowl \$4,504,924</li> </ul>
<ul style="list-style-type: none"> <li>• Infrastructure (sewer) \$400,407</li> </ul>	
<ul style="list-style-type: none"> <li>• Vehicles and equipment – Highways, streets and bridges \$100,067</li> </ul>	

**TOWN OF CAMDEN, MAINE**  
**Management's Discussion and Analysis, Continued**

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Additional information on the Town of Camden, Maine's capital assets can be found in the notes to the basic financial statements on pages 34-35 of this report.

The Town did incur changes in long-term liabilities. Outstanding bonds and notes began with a balance of \$2,213,599. Retired debt was \$214,862, ending the fiscal year with a balance of \$1,998,737 in outstanding long-term bonds. Capital leases increased during the current fiscal year as new leases (\$225,376) exceeded retirements (\$169,844), leaving a balance at year-end of \$723,393. Total long-term liabilities as of June 30, 2015 were \$3,713,167, a decrease of \$641,139 from the prior year. Additional information on the Town of Camden, Maine's long-term debt activity can be found in the notes to the basic financial statements on pages 37-39 of this report.

**Assets**

***Cash, Cash Equivalents and Investments***

General Fund assets decreased during this reporting period by \$59,976. Assets for FY 2015 were \$4,283,188 and assets for FY 2014 were \$4,343,164. Investments decreased by \$1,017,251.

***Receivables***

The Town of Camden, Maine continues to have an "excellent" tax collection rate with 94.83% of outstanding taxes collected in FY 2015 and 95.71% in 2014. When necessary, unpaid prior year real estate taxes are collected using the tax lien process. Personal property taxes are collected in Small Claims Court. The total *actual* amount of revenue for real estate taxes, personal property taxes and excise taxes (including interest, costs and the State's Homestead reimbursement) less abatements, refunds and any change in deferred property tax revenue of (\$48,880) for FY 2015 was \$16,921,435. This is \$20,116 more than the original budgeted amount of \$16,901,319. In comparison, the FY 2014 amount of tax revenue less the original budgeted amount was \$92,704 over the original budgeted amount. We continue to meet tax revenue budget expectations which accounts for approximately 95% of the total revenues collected by the Town.

**Expenditures**

In comparing expenditures for FY 2015 to the prior year, total *actual* expenditures in the General Fund increased \$478,672. Capital improvements and reserves decreased by \$129,241. Highways, streets and bridges increased \$78,465. Debt service increased \$9,088. Education increased \$239,594 and county tax increased \$24,315.

**Request for Information**

This financial report is designed to provide a general overview of the Town of Camden, Maine's finances for all those with an interest in the government's finances. Questions concerning any of the information should be addressed to the Finance Director, Town of Camden, Maine, P.O. Box 1207, Camden, Maine 04843.

## **BASIC FINANCIAL STATEMENTS**

**TOWN OF CAMDEN, MAINE**  
**Statement of Net Position**  
**June 30, 2015**

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 596,636	22,800	619,436
Investments	5,579,399	-	5,579,399
Receivables:			
Accounts (net of allowance of \$2,676)	314,594	-	314,594
Taxes receivable - current year	824,264	-	824,264
Tax and sewer liens	73,539	-	73,539
Tax acquired property	26,808	-	26,808
Internal balances	184,584	(184,584)	-
Inventory	8,526	-	8,526
Nondepreciable capital assets	1,852,284	160,000	2,012,284
Depreciable capital assets, net	9,775,613	4,806,399	14,582,012
Total assets	19,236,247	4,804,615	24,040,862
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows of resources related to pensions	287,770	-	287,770
Total deferred outflows of resources	287,770	-	287,770
<b>LIABILITIES</b>			
Accounts payable and other current liabilities	473,271	-	473,271
Accrued wages	77,476	-	77,476
Bond anticipation note payable	650,000	-	650,000
Accrued interest	36,854	-	36,854
Noncurrent liabilities:			
Due within one year	371,252	-	371,252
Due in more than one year	3,341,915	34,562	3,376,477
Total liabilities	4,950,768	34,562	4,985,330
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows of resources related to pensions	523,220	-	523,220
Total deferred inflows of resources	523,220	-	523,220
<b>NET POSITION</b>			
Net investment in capital assets	8,905,767	4,966,399	13,872,166
Restricted for:			
Nonexpendable trust principal	2,564,344	-	2,564,344
Grants and donations	1,575,993	-	1,575,993
Unrestricted	1,003,926	(196,346)	807,580
<b>Total net position</b>	<b>\$ 14,050,030</b>	<b>4,770,053</b>	<b>18,820,083</b>

*See accompanying notes to basic financial statements.*

**TOWN OF CAMDEN, MAINE**  
**Statement of Activities**  
**For the year ended June 30, 2015**

Functions/programs	Expenses	Program revenues			Net (expense) revenue and changes in net position		
		Charges for services	Operating grants and contributions	Capital grants and contributions	Primary Government		Total
					Governmental activities	Business-type activities	
Primary government:							
Governmental activities:							
General government	\$ 3,062,931	190,750	-	-	(2,872,181)	-	(2,872,181)
Public safety	2,014,511	24,364	-	-	(1,990,147)	-	(1,990,147)
Highways, streets and bridges	1,734,585	-	54,140	-	(1,680,445)	-	(1,680,445)
Human services	64,864	-	-	-	(64,864)	-	(64,864)
Leisure services	1,029,416	291,266	23,745	2,322,642	1,608,237	-	1,608,237
Cemeteries	121,061	110,902	-	-	(10,159)	-	(10,159)
Education	10,053,744	-	-	-	(10,053,744)	-	(10,053,744)
Solid waste, sewer and other	710,416	1,779,342	205,193	-	1,274,119	-	1,274,119
Interest on debt service	84,830	-	13,864	-	(70,966)	-	(70,966)
Non-capital maintenance expenses	485,305	-	-	-	(485,305)	-	(485,305)
Total governmental activities	19,361,663	2,396,624	296,942	2,322,642	(14,345,455)	-	(14,345,455)
Business-type activities:							
Camden Snow Bowl	934,972	811,113	-	-	-	(123,859)	(123,859)
Total business-type activities	934,972	811,113	-	-	-	(123,859)	(123,859)
<b>Total primary government</b>	<b>\$ 20,296,635</b>	<b>3,207,737</b>	<b>296,942</b>	<b>2,322,642</b>	<b>(14,345,455)</b>	<b>(123,859)</b>	<b>(14,469,314)</b>
General revenues:							
Property taxes, levied for general purposes					15,893,248	-	15,893,248
Interest and costs on taxes					45,543	-	45,543
Motor vehicle excise taxes					951,080	-	951,080
Franchise taxes					71,428	-	71,428
Grants and contributions not restricted to specific programs:							
Homestead exemption					73,287	-	73,287
Other State aid					21,682	-	21,682
State Revenue Sharing					179,336	-	179,336
Unrestricted investment earnings					9,086	-	9,086
Miscellaneous revenues					3,437	-	3,437
Transfers					(4,239,415)	4,239,415	-
Total general revenues and transfers					13,008,712	4,239,415	17,248,127
Change in net position					(1,336,743)	4,115,556	2,778,813
Net position - beginning, as restated					15,386,773	654,497	16,041,270
<b>Net position - ending</b>					<b>\$ 14,050,030</b>	<b>4,770,053</b>	<b>18,820,083</b>

*See accompanying notes to basic financial statements.*



**TOWN OF CAMDEN, MAINE**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2015**

	General	Sewer Operations Fund	Charles Wood Fund	RMRA Redevelopment	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and cash equivalents	\$ 147,287	-	82,430	-	366,919	596,636
Investments	2,137,066	-	1,745,104	-	1,697,229	5,579,399
Receivables:						
Accounts (net of allowance of \$2,676)	25,200	248,907	-	-	-	274,107
Taxes receivable - current year	824,264	-	-	-	-	824,264
Tax and sewer liens	72,051	1,488	-	-	-	73,539
Tax acquired property	26,808	-	-	-	-	26,808
Inventory	8,526	-	-	-	-	8,526
Interfund loans receivable	1,041,986	502,409	14,109	-	1,064,679	2,623,183
<b>Total assets</b>	<b>\$ 4,283,188</b>	<b>752,804</b>	<b>1,841,643</b>	<b>-</b>	<b>3,128,827</b>	<b>10,006,462</b>
<b>LIABILITIES</b>						
Accounts payable	435,168	2,828	-	-	35,275	473,271
Accrued wages	69,395	8,081	-	-	-	77,476
Bond anticipation note payable	650,000	-	-	-	-	650,000
Interfund loans payable	-	-	-	2,317,236	80,876	2,398,112
<b>Total liabilities</b>	<b>1,154,563</b>	<b>10,909</b>	<b>-</b>	<b>2,317,236</b>	<b>116,151</b>	<b>3,598,859</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue - property taxes	265,180	-	-	-	-	265,180
<b>Total deferred inflows of resources</b>	<b>265,180</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>265,180</b>
<b>FUND BALANCES (DEFICIT)</b>						
Nonspendable - trust principal	-	-	902,731	-	1,661,613	2,564,344
Nonspendable - inventory	8,526	-	-	-	-	8,526
Restricted	-	-	938,912	-	637,081	1,575,993
Committed	-	685,767	-	-	850,838	1,536,605
Assigned	1,500,000	56,129	-	-	-	1,556,129
Unassigned	1,354,919	-	-	(2,317,236)	(136,856)	(1,099,173)
<b>Total fund balances (deficit)</b>	<b>2,863,445</b>	<b>741,896</b>	<b>1,841,643</b>	<b>(2,317,236)</b>	<b>3,012,676</b>	<b>6,142,424</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 4,283,188</b>	<b>752,805</b>	<b>1,841,643</b>	<b>-</b>	<b>3,128,827</b>	

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.	11,627,897
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	265,180
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported in the funds.	
Bonds payable	(1,998,737)
Capital leases	(723,393)
Net pension liability, including deferred inflows and outflows of resources	(851,256)
Accrued interest	(36,854)
Accrued compensated absences	(375,231)

**Net position of governmental activities** **\$ 14,050,030**

*See accompanying notes to basic financial statements.*

**TOWN OF CAMDEN, MAINE**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the year ended June 30, 2015**

	General	Sewer Operations Fund	Charles Wood Fund	RMRA Redevelopment	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>						
Taxes	\$ 16,921,435	-	-	-	50,150	16,971,585
Intergovernmental	271,746	-	-	-	224,387	496,133
Licenses and permits	168,202	-	-	-	-	168,202
Charges for services	362,336	1,158,294	-	-	180,339	1,700,969
Interest earned	9,086	-	-	-	35,275	44,361
Contributions	-	-	-	-	10,000	10,000
Realized and unrealized gains (losses)	-	-	-	-	135,344	135,344
Other	114,571	95	154,818	2,322,642	96,735	2,688,861
<b>Total revenues</b>	<b>17,847,376</b>	<b>1,158,389</b>	<b>154,818</b>	<b>2,322,642</b>	<b>732,230</b>	<b>22,215,455</b>
<b>Expenditures:</b>						
<b>Current:</b>						
General government	1,640,472	-	-	-	43,142	1,683,614
Public safety	1,881,674	-	-	-	2,559	1,884,233
Highways, streets and bridges	1,341,699	-	-	-	205,260	1,546,959
Human services	5,925	-	-	-	58,939	64,864
Leisure services	932,236	-	-	-	52,200	984,436
Cemeteries	75,289	-	-	-	45,772	121,061
Contingency	37,377	-	-	-	-	37,377
Education	10,053,744	-	-	-	-	10,053,744
County tax	1,070,830	-	-	-	-	1,070,830
Solid waste	203,622	-	-	-	9,208	212,830
Sewer operations	-	748,410	-	-	-	748,410
Unclassified	-	-	57,035	4,561,293	218,335	4,836,663
Debt service	472,760	-	-	-	-	472,760
Capital improvements and reserves	358,997	201,430	-	-	-	560,427
<b>Total expenditures</b>	<b>18,074,625</b>	<b>949,840</b>	<b>57,035</b>	<b>4,561,293</b>	<b>635,415</b>	<b>24,278,208</b>
Excess (deficiency) of revenues over (under) expenditures	(227,249)	208,549	97,783	(2,238,651)	96,815	(2,062,753)
<b>Other financing sources (uses):</b>						
Proceeds from capital lease	225,376	-	-	-	-	225,376
Transfers from other funds	-	20,000	-	-	110,000	130,000
Transfers to other funds	(130,000)	-	-	-	-	(130,000)
<b>Total other financing sources</b>	<b>95,376</b>	<b>20,000</b>	<b>-</b>	<b>-</b>	<b>110,000</b>	<b>225,376</b>
Net change in fund balances	(131,873)	228,549	97,783	(2,238,651)	206,815	(1,837,377)
Fund balances (deficit), beginning of year	2,995,318	513,347	1,743,860	(78,585)	2,805,861	7,979,801
<b>Fund balances (deficit), end of year</b>	<b>\$ 2,863,445</b>	<b>741,896</b>	<b>1,841,643</b>	<b>(2,317,236)</b>	<b>3,012,676</b>	<b>6,142,424</b>

*See accompanying notes to basic financial statements.*

**TOWN OF CAMDEN, 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, 2015**

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Net change in fund balances - total governmental funds (from Statement 4)	\$	(1,837,377)
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Amounts reported for governmental activities in the statement of activities (Statement 2) are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay (\$771,678) exceeded depreciation expense (\$590,108) in the current period.		181,570
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		48,880
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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 the governmental funds. This is the amount by which the decrease in the net pension liability with related deferred inflows and outflows (\$137,859) and accrued interest (\$3,224) exceeded the increase in accrued compensated absences (\$30,229).		110,854
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Bond and capital lease proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount by which bond repayments (\$214,862) and capital lease repayments (\$169,844) exceeded lease proceeds (\$225,376).		159,330
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<b>Change in net position of governmental activities (see Statement 2)</b>	<b>\$</b>	<b>(1,336,743)</b>
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*See accompanying notes to basic financial statements.*

**TOWN OF CAMDEN, MAINE**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**General Fund**  
**For the year ended June 30, 2015**

	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 16,901,319	16,901,319	16,921,435	20,116
Intergovernmental	271,500	271,500	271,746	246
Licenses and permits	162,000	162,000	168,202	6,202
Charges for services	306,000	306,000	362,336	56,336
Interest earned	10,000	10,000	9,086	(914)
Other	124,450	124,450	114,571	(9,879)
Total revenues	17,775,269	17,775,269	17,847,376	72,107
<b>Expenditures:</b>				
Current:				
General government	1,634,562	1,634,562	1,635,074	(512)
Public safety	1,844,895	1,887,236	1,881,674	5,562
Highways, streets and bridges	1,364,950	1,467,206	1,341,699	125,507
Health and welfare	5,925	5,925	5,925	-
Leisure services	947,460	947,460	932,236	15,224
Cemeteries	95,245	95,245	75,289	19,956
Contingency	40,000	75,000	37,377	37,623
Unclassified	11,345,750	11,345,750	11,333,594	12,156
Debt service	541,902	541,902	472,760	69,142
Capital improvements and reserves	144,000	369,376	358,997	10,379
Total expenditures	17,964,689	18,369,662	18,074,625	295,037
Excess (deficiency) of revenues over (under) expenditures	(189,420)	(594,393)	(227,249)	367,144
<b>Other financing sources (uses):</b>				
Transfers out	(130,000)	(130,000)	(130,000)	-
Proceeds from capital lease	-	225,376	225,376	-
Utilization of prior year surplus	319,420	319,420	150,000	(169,420)
Utilization of carryforward balances	-	179,597	-	(179,597)
Total other financing sources	189,420	594,393	245,376	(349,017)
Net change in fund balance, budgetary basis	-	-	18,127	18,127
<b>Reconciliation to GAAP:</b>				
Utilization of fund balance			(150,000)	
Net change in fund balance, GAAP basis			(131,873)	
Fund balance, beginning of year			2,995,318	
<b>Fund balance, end of year</b>	<b>\$</b>		<b>2,863,445</b>	

*See accompanying notes to basic financial statements.*

**TOWN OF CAMDEN, MAINE**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2015**

<b>Business-type Activities - Enterprise Funds</b>		<b>Camden Snow Bowl</b>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$	22,800
Total current assets		22,800
Noncurrent assets:		
Property, plant, and equipment		5,415,862
Less accumulated depreciation		(449,463)
Total noncurrent assets		4,966,399
Total assets		4,989,199
<b>LIABILITIES</b>		
Interfund loans payable		184,584
Accrued compensated absences		34,562
Total liabilities		219,146
<b>NET POSITION</b>		
Net investment in capital assets		4,966,399
Unrestricted		(196,346)
<b>Total net position</b>	<b>\$</b>	<b>4,770,053</b>

*See accompanying notes to basic financial statements.*

**TOWN OF CAMDEN, MAINE**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Funds**  
**For the year ended June 30, 2015**

<b>Business-type Activities - Enterprise Funds</b>		<b>Camden Snow Bowl</b>
Operating revenues:		
Lift tickets	\$	462,011
Toboggan and tube income		5,305
Lesson and racing fees		136,895
Rental income		72,292
Food and merchandise		3,022
Other		131,588
Total operating revenues		811,113
Operating expenses:		
Administration		265,174
Lodge		42,879
Maintenance shop		9,585
Alpine		483,792
Rental shop		31,362
Toboggan chute		54,147
Depreciation		48,033
Total operating expenses		934,972
Operating loss		(123,859)
Capital contributions		4,239,415
Change in net position		4,115,556
Total net position, beginning of year		654,497
<b>Total net position, end of year</b>	<b>\$</b>	<b>4,770,053</b>

*See accompanying notes to basic financial statements.*

**TOWN OF CAMDEN, MAINE**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the year ended June 30, 2015**

<b>Business-type Activities - Enterprise Funds</b>		<b>Camden Snow Bowl</b>
Cash flows from operating activities:		
Receipts from customers and users	\$	811,113
Payments to employees		(385,846)
Payments to suppliers		(493,205)
Net cash used in operating activities		(67,938)
Cash flows from non-capital financing activities:		
Decrease in interfund loan payable		(44,457)
Net cash used in non-capital financing activities		(44,457)
Cash flows from capital and related financing activities:		
Payments on capital leases		(36,672)
Net cash used in capital and related financing activities		(36,672)
Decrease in cash		(149,067)
Cash and cash equivalents, beginning of year		171,867
<b>Cash and cash equivalents, end of year</b>	<b>\$</b>	<b>22,800</b>
Reconciliation of operating loss to net cash provided used in operating activities:		
Operating loss	\$	(123,859)
Adjustments to reconcile operating loss to net cash provided (used) in operating activities:		
Depreciation		48,033
Increase in operating assets and liabilities:		
Accrued compensated absences		7,888
Net cash used in operating activities		(67,938)

*See accompanying notes to basic financial statements.*

**TOWN OF CAMDEN, MAINE**  
**Statement of Fiduciary Net Position**  
**Agency Funds**  
**June 30, 2015**

	<b>Agency Funds</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 25,162
Interfund loans receivable	838
Accounts receivable	29,357
<b>Total assets</b>	<b>55,357</b>
<b>LIABILITIES</b>	
Interfund loans payable	41,325
Held on behalf of others	14,032
<b>Total liabilities</b>	<b>\$ 55,357</b>

*See accompanying notes to basic financial statements.*



**TOWN OF CAMDEN, MAINE**  
**Notes to Basic Financial Statements**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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The Town of Camden, Maine is located in Knox County. It was organized in 1891 and operates under a Town Manager-Select Board form of government.

The accounting policies of the Town of Camden, Maine conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the more significant of such policies:

**Reporting Entity** - In evaluating how to define the reporting entity, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit was made by applying the criteria set forth in GAAP. The criterion used is that set forth by GASB which defines the reporting entity as the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government. Application of this criterion and determination of the type of presentation involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. Based upon the application of these criteria, the following is a brief review of each potential component unit addressed in defining the government's reporting entity.

Included within the reporting entity:

The following entity has been included in the reporting entity. The Cemetery Association is considered to be a separate legal entity from the Town of Camden, Maine for reporting purposes. The financial activity related to this organization has been included as an Agency Fund in these basic financial statements. The following is a brief description of the entity:

**Camden Cemetery Association** - Administers the Town's two cemeteries. The Town maintains the Association's financial records.

Excluded from the reporting entity:

**Mid Coast Solid Waste Corporation** - The Town of Camden, Maine has entered into a joint venture with the Towns of Rockport, Lincolnville, and Hope to operate a four-town transfer station and recycling facility. During fiscal year 1994, the form of this venture was modified and the Mid Coast Solid Waste Corporation was formed. Although the Town provides a portion of the entity's financial support, other criteria for inclusion in the Town's basic financial statements are absent.

The Corporation's joint Board of Directors selects management staff, sets user charges, establishes budgets, and controls all aspects of its operations. The interlocal agreement for this organization does not stipulate that the participants have a present or future claim to the net resources of the organization, except on dissolution; therefore, no equity interest has been reported in these basic financial statements.

Financial statements for Mid Coast Solid Waste Corporation can be obtained by contacting the Town of Camden Finance Director.

**Camden Public Library** - Although the Town does provide a portion of the entity's financial support, other criteria for inclusion are absent. The organization is independently operated and there is no control or oversight exercised by the Town.

**TOWN OF CAMDEN, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

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**Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The Town has elected not to allocate indirect costs among the programs, functions and segments. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**Measurement Focus, Basis of Accounting and Basis of Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period for property taxes and one year for all other revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as certain compensated absences and claims and judgments, are recorded only when the payment is due.

Those revenues susceptible to accrual are property taxes, interest, and charges for services. Other receipts and taxes become measurable and available when cash is received by the Town and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

**TOWN OF CAMDEN, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

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The Town reports the following major governmental funds:

*The General Fund* is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

*The Sewer Operations Fund, a special revenue fund,* accounts for the operation of a sewer system in Camden.

*The Charles Wood Fund, a permanent fund,* was established with a gift from Charles Wood. The income is to be used by the Town to benefit the poor and needy in Camden.

*RMRA Redevelopment Fund, a special revenue fund,* accounts for the redevelopment of Ragged Mountain.

The Town reports the following major proprietary fund:

*Camden Snow Bowl* accounts for revenues received and expenses incurred in the operation of a ski mountain and lift facility owned by the Town.

Additionally, the Town reports the following fund type:

*Fiduciary funds* account for assets held by the Town in a trustee capacity or as an agent on behalf of others. Fiduciary funds use the economic resources measurement focus, with the exception of Agency Funds which have no measurement focus. The Town's fiduciary funds include the following type:

*Agency funds* are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. The funds are used to account for assets that the Town holds for others in an agency capacity. The Town's Agency Fund accounts for funds held by the Town on behalf of the Mt. View and Oak Hill Cemetery Associations.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes and charges between the Town's sewer fund and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

**TOWN OF CAMDEN, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

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Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's proprietary funds are charges to customers for sales and services; operating expenses include the cost of sales and services, administrator expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**Cash, Cash Equivalents and Investments** - Cash and cash equivalents includes amounts in demand deposits, savings accounts and certificates of deposit. State statutes authorize the Town to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds and repurchase agreements.

Investments are stated at fair value. For the 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.

**Short-term Interfund Receivables/Payables** - During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as interfund loans on the balance sheet.

**Receivables** - All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Unbilled revenues from the Sewer Operations Fund are recognized at the end of each fiscal year on a pro rata basis. This amount is based on billings during the months following the close of the fiscal year.

**Inventories** - Inventories are valued at cost using the first-in/first-out (FIFO) method and consist of expendable diesel and unleaded gasoline. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

**Capital Assets** - Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$7,500 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal repairs and maintenance that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities, if material to the basic financial statements, is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the primary government are depreciated using the straight-line method over the assets' estimated useful lives ranging from 3 to 60 years.

**TOWN OF CAMDEN, MAINE**  
**Notes to Basic Financial Statements, Continued**

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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**Vacation and Sick Leave** - Under terms of personnel policies and union contracts, vacation and sick leave are granted in varying amounts according to length of service and are accrued ratably over the year. Regular part-time employees receive vacation and sick leave on a pro-rated basis. Accumulated sick and vacation time has been recorded in the Statement of Net Position for the governmental activities and in the Proprietary Funds for the business-type activities. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee registrations and retirements.

**Deferred Outflows of Resources** - In addition to assets, the statement of net position will sometimes 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) until that time. The deferred outflows that relate to the net pension liability, which include the Town's contributions subsequent to the measurement date, which is recognized as a reduction of the net pension liability in the subsequent year. They also include changes in proportion and differences between the Town contributions and proportionate share of contributions and differences between expected and actual experience, which are deferred and amortized over the average expected remaining service lives of active and inactive members in the plan.

**Deferred Inflows of Resources** - In addition to liabilities, the statement of net position and balance sheet will sometime report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The deferred inflows of resources on the balance sheet relate to unavailable revenue from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The deferred inflows of resources recognized on the statement of net position relate to the net pension liability, which include the net difference between projected and actual earnings on pension plan investments, which is deferred and amortized over a five-year period.

**Long-term Obligations** - In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, if material to basic financial statements, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**TOWN OF CAMDEN, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

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**Fund Equity** - Governmental Fund fund balance is reported in five classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which those funds can be spent. The five classifications of fund balance for the Governmental Funds are as follows:

- *Nonspendable* – resources which cannot be spent because they are either a) not in spendable form or; b) legally or contractually required to be maintained intact.
- *Restricted* – resources with constraints placed on the use of resources which are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or; b) imposed by law through constitutional provisions or enabling legislation.
- *Committed* – resources which are subject to limitations the government imposes on itself at its highest level of decision making authority, and that remain binding unless removed in the same manner.
- *Assigned* – resources that are constrained by the government’s intent to be used for a specific purpose, but are neither restricted nor committed.
- *Unassigned* – resources which have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount.

The citizens have the responsibility for committing fund balance amounts and likewise would be required to modify or rescind those commitments. Assigned fund balance represents unspent budget amounts that the voters have authorized the Town Manager to set aside for specific purposes based on department requests. The Town has a formal fund balance policy which determines targeted minimum unassigned General Fund fund balance. The Town’s fund balance policy states unassigned fund balance shall be, at a minimum, approximately 16.7% of the Town’s annual budget.

When both restricted and unrestricted resources are available for use, it is the government’s intent to use restricted resources first, then unrestricted resources as they are needed. When committed, assigned and unassigned resources are available for use, it is the Town’s practice to use committed or assigned resources first, and then unassigned resources as they are needed.

The General Fund unassigned fund balance total of \$1,354,919 represents fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the General Fund. Unassigned fund deficits totaling \$136,856 are also reported for several special revenue funds that have negative fund balances as of June 30, 2015 as shown in the schedules beginning at Exhibit C-1.

**Interfund Transactions** - Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly chargeable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

**TOWN OF CAMDEN, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

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**Pensions** - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Maine Public Employees Retirement System Consolidated Plan for Participating Local Districts (PLD Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Use of Estimates** - Preparation of the Town's financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent items at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

**Comparative Data/Reclassifications** - Comparative data for the prior year have been presented only for certain funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

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**STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

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**A. Budgetary Information**

Budgets are adopted for the General Fund and Sewer Operations Fund using the budgetary basis of accounting. The level of control (level at which expenditures may not exceed budget) is the warrant article level. Generally, all unexpended budgetary accounts lapse at the close of the fiscal year except some on-going projects which may be designated for subsequent year expenditure and some non-lapsing accounts which are carried forward to the next fiscal year.

The budgeted financial statements represented in this report reflect the final budget authorization, including all amendments.

For the year ended June 30, 2015, expenditures exceeded appropriations in the following general fund departments as shown on Exhibit A-2:

Administration, finance, codes and assessing	\$ 5,693
Professional services	22,093
Insurance	50,030
Opera House/auditorium	15,818
Fire department	24,048
Public safety building	4,580
Street lights	2,541
Public works	5,063
Recreation	2,165
Harbor Park	1,446
Police cruiser	16,226

**TOWN OF CAMDEN, MAINE**  
**Notes to Basic Financial Statements, Continued**

**STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, CONTINUED**

**B. Revised Budget**

The revised budget presented for the General Fund in the Statement of Revenues, Expenditures, and Changes in Fund Balance--Budget and Actual (Statement 6), includes various adjustments as follows:

	<u>Revenues</u>	<u>Expenditures</u>	<u>Other financing sources (uses)</u>
2015 budget as originally adopted	\$ 17,775,269	17,964,689	189,420
Proceeds from capital leases	-	225,376	225,376
Utilization of carryforward balances	-	179,597	179,597
<b>Totals</b>	<b>\$ 17,775,269</b>	<b>18,369,662</b>	<b>594,393</b>

**C. Deficit Fund Balances**

At June 30, 2015, the following funds had deficit fund balances:

RMRA Redevelopment	\$ 2,317,236
Special Revenue Funds:	
Seabright Fund	22,457
Grant funds:	
KNX	835
Tannery Riverwalk	2,057
Lupine Terrace Grant	50
Project Canopy	7,171
Route 105 Sidewalk Extension	9,620
SHIP/Hoist and Walkway Grant	44,861
Restricted funds:	
FICA/Medicare	2,454
Gasoline	18,127
Mary Chapin Carpenter	18,324
Capital Project Reserve funds:	
Fuel Depot maintenance	10,900

These deficits will be funded by future grant revenue.



**TOWN OF CAMDEN, MAINE**  
**Notes to Basic Financial Statements, Continued**

**DEPOSITS AND INVESTMENTS**

**A. Deposits**

*Custodial Credit Risk-Town Deposits:* Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk. As of June 30, 2015, the Town reported deposits of \$644,598 with a bank balance of \$693,936. Of the Town's bank balances of \$693,936, none was exposed to custodial credit risk. The entire bank balance of \$693,936 was covered by the F.D.I.C. or by additional insurance purchased on behalf of the Town by the respective banking institutions.

Deposits have been reported as follows:

Reported in governmental funds	\$ 596,636
Reported in business-type activities	22,800
Reported in fiduciary funds	25,162
<b>Total deposits</b>	<b>\$ 644,598</b>

**B. Investments**

At June 30, 2015, the Town had the following investments and maturities:

	Fair <u>value</u>	Less than <u>1 year</u>	1-5 years <u>1-5 years</u>	More than <u>5 years</u>
Corporate bonds and notes	\$ 943,095	-	741,540	201,555
Money market funds (1)	220,242		Not applicable	
Equities/stock	2,021,025		Not applicable	
Mutual funds (1)	257,971		Not applicable	
Repurchase agreements	2,137,066		Not applicable	
<b>Total investments</b>	<b>\$ 5,579,399</b>	-	<b>741,510</b>	<b>201,555</b>

(1) Money market funds and mutual funds are not considered securities and are exempt from the credit risk disclosure noted below.

Investments have been reported as follows:

Reported in governmental funds	\$ 5,579,399
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*Interest Rate Risk:* It is the Town's policy that maximum bond maturities in any one year will be 20% of total bonds at market value.

**TOWN OF CAMDEN, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**DEPOSITS AND INVESTMENTS, CONTINUED**

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*Credit Risk:* Maine statutes authorize the Town to invest in obligations of the U.S. Treasury and U.S. agencies, repurchase agreements and certain corporate stocks and bonds. The Town's policy is to maintain a balanced portfolio of stocks and bonds with 65% stocks and 35% fixed income but with manager discretion to range between 50% and 75% stocks, depending on market conditions and outlook. Bond investments are to be restricted to issues A or better by the major credit rating services and be diversified by the type of issuer and by maturity. Bond maturities will be limited to within 15 years. It is also the Town's policy that stock investments will be in leading companies with revenues of at least \$500 million, consistent and above average profit growth and superior financial strength.

On July 22, 2014, the Town updated its investment policy. The new policy states the Town is to maintain a balanced portfolio of stocks and bonds with 65% stocks and 35% fixed income but with manager discretion to range between 50% and 75% stocks, depending on market conditions and outlook. Bond investments are to be rated Investment Grade (BAA or BBB) or better by the major credit rating services and be diversified by the type of issuer and by maturity. It is also the Town's policy that stock investments will be in leading companies with revenues of at least \$500 million, consistent and above average profit growth and superior financial strength.

The Town's investments in corporate bonds were rated by Standard & Poor's as follows:

Amphenol Corp	BBB+
Bank of Nova Scotia	A+
Boeing Cap Corp	A
Coca Cola Company	AA
EMC Corp Mass	A
Fluor Corporation	A-
FMC Technologies	BBB
Gilead Sciences	A-
Qualcomm Inc	A+
Statoil ASA	AA-
Unitedhealth	A+
Walt Disney Co	A

*Concentration of credit risk:* It is the Town's policy that individual stocks are limited to 5% of total stocks at cost and 10% at market. Industry exposure is limited to 10% at cost and 20% at market. Up to 10% of total stocks may be invested in broadly diversified stock mutual funds. Individual bonds which are not backed by the full faith and credit of the U.S. government will be limited to 5% of total bonds at market value. Maximum exposure to a single industry will be 25%.

*Custodial Credit Risk-Town's investments:* For investments, custodial credit risk is the risk that, in the event of failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Of the Town's \$2,137,066 investment in repurchase agreements, 100% was subject to custodial credit risk because it was collateralized by underlying securities held by the related bank, which were not in the Town's name.

**TOWN OF CAMDEN, MAINE**  
**Notes to Basic Financial Statements, Continued**

**PROPERTY TAX**

Property taxes for the current period were committed on September 23, 2014, on the assessed value listed as of April 1, 2014, for all real and personal property located in the Town. Payment of taxes was due in equal installments on November 3, 2014 and May 4, 2015. Interest at the rate of 7% per annum was charged on any amounts remaining unpaid after this date. Assessed values are periodically established by the Assessor's agent at 100% of assumed market value. The last revaluation was completed for the list of April 1, 2007. The 2015 assessed value of \$1,104,505,776 (including Homestead valuation) was 100% of the estimated market value and 94.9% of the 2015 state valuation of \$1,163,300,000.

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 \$17,553 for the period ended June 30, 2015.

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.

Property taxes levied during the year ended were recorded as receivables at the time the levy was made. The receivables collected during the year ended and in the first sixty days following the end of the fiscal year have been recorded as revenues. The remaining receivables have been recorded as unavailable revenues.

The following summarizes the periods ended June 30, 2015 and 2014 levies:

	<u>2015</u>	<u>2014</u>
Assessed value	\$ 1,104,505,776	1,100,725,400
Tax rate (per \$1,000)	14.43	14.04
Commitment	15,938,018	15,454,185
Supplemental taxes assessed	4,230	1,984
	15,942,248	15,456,169
Less:		
Collections and abatements	15,117,984	14,793,110
<b>Receivable at June 30</b>	<b>\$ 824,264</b>	<b>663,059</b>
Collection rate	94.83%	95.71%

**TOWN OF CAMDEN, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**CAPITAL ASSETS**

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Capital asset activity for the year ended June 30, 2015 was as follows:

	Balance June 30, <u>2014</u>	<u>Increases</u>	<u>Decreases</u>	Balance June 30, <u>2015</u>
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Construction in progress	\$ 259,909	374,679	(58,688)	575,900
Land	<u>1,276,384</u>	-	-	<u>1,276,384</u>
<b>Total capital assets, not being depreciated</b>	<b>1,536,293</b>	<b>374,679</b>	<b>(58,688)</b>	<b>1,852,284</b>
Capital assets, being depreciated:				
Land improvements	1,910,197	-	-	1,910,197
Buildings and building improvements	7,746,521	-	-	7,746,521
Machinery and equipment	1,340,244	151,889	(93,000)	1,399,133
Furniture and office equipment	83,750	-	-	83,750
Vehicles	2,811,382	128,580	-	2,939,962
Infrastructure	<u>3,891,835</u>	<u>175,218</u>	-	<u>4,067,053</u>
<b>Total capital assets being depreciated</b>	<b>17,783,929</b>	<b>455,687</b>	<b>(93,000)</b>	<b>18,146,616</b>
Less accumulated depreciation for:				
Land improvements	483,486	71,855	-	555,341
Buildings and building improvements	3,248,796	161,287	-	3,410,083
Machinery and equipment	916,586	68,112	(93,000)	891,698
Furniture and office equipment	56,618	3,255	-	59,873
Vehicles	1,935,215	162,828	-	2,098,043
Infrastructure	<u>1,233,194</u>	<u>122,771</u>	-	<u>1,355,965</u>
<b>Total accumulated depreciation</b>	<b>7,873,895</b>	<b>590,108</b>	<b>(93,000)</b>	<b>8,371,003</b>
<b>Total capital assets being depreciated, net</b>	<b>9,910,034</b>	<b>(134,421)</b>	<b>-</b>	<b>9,775,613</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 11,446,327</b>	<b>240,258</b>	<b>(58,688)</b>	<b>11,627,897</b>

**TOWN OF CAMDEN, MAINE**  
**Notes to Basic Financial Statements, Continued**

**CAPITAL ASSETS, CONTINUED**

**Business-type activities:**

	Balance June 30, <u>2014</u>	<u>Increases</u>	<u>Decreases</u>	Balance June 30, <u>2015</u>
Capital assets, not being depreciated:				
Land	\$ 160,000	-	-	160,000
Construction in progress	265,509	-	(265,509)	-
<b>Total capital assets, not being depreciated</b>	<b>425,509</b>	<b>-</b>	<b>(265,509)</b>	<b>160,000</b>
Capital assets, being depreciated:				
Land improvements	-	1,814,298	-	1,814,298
Buildings and building improvements	172,000	-	(10,000)	162,000
Machinery and equipment	732,337	2,690,626	(238,000)	3,184,963
Vehicles	94,601	-	-	94,601
<b>Total capital assets being depreciated</b>	<b>998,938</b>	<b>4,504,924</b>	<b>(248,000)</b>	<b>5,255,862</b>
Less accumulated depreciation for:				
Land improvements	-	6,334	-	6,334
Buildings and building improvements	109,133	2,720	(10,000)	101,853
Machinery and equipment	462,559	33,979	(238,000)	258,538
Vehicles	77,738	5,000	-	82,738
<b>Total accumulated depreciation</b>	<b>649,430</b>	<b>48,033</b>	<b>(248,000)</b>	<b>449,463</b>
<b>Total capital assets being depreciated, net</b>	<b>349,508</b>	<b>4,456,891</b>	<b>-</b>	<b>4,806,399</b>
<b>Business-type activities capital assets, net</b>	<b>\$ 775,017</b>	<b>4,456,891</b>	<b>(265,509)</b>	<b>4,966,399</b>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:

General government	\$ 129,642
Public safety	106,638
Highways, streets and bridges	182,998
Leisure services	37,092
Solid waste, sewer and other	133,738
<b>Total depreciation expense – governmental activities</b>	<b>\$ 590,108</b>

Business-type activities:

Camden Snow Bowl	48,033
<b>Total depreciation expense –business-type activities</b>	<b>\$ 48,033</b>

**TOWN OF CAMDEN, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**INTERFUND LOAN BALANCES**

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Individual interfund loan receivable and payable balances at the year ended June 30, 2015 were as follows:

	<u>Interfund receivables</u>	<u>Interfund payables</u>
General fund	\$ 1,041,986	-
Sewer operations fund	502,409	-
Charles Wood fund	14,109	-
RMRA redevelopment	-	2,317,236
Nonmajor special revenue funds:		
Grant funds	-	58,278
Restricted funds	223,281	-
Seabright fund	-	22,457
Total nonmajor special revenue funds	223,281	80,735
Nonmajor capital project reserve funds	839,938	-
Nonmajor permanent funds:		
Shadie Niles Trust	-	141
Olive A. Coates Trust	1,460	-
Total nonmajor permanent funds	1,460	141
Proprietary funds:		
Camden snow bowl	-	184,584
Agency funds:		
Cemetery	838	41,325
<b>Total interfund loan receivables and payables</b>	<b>\$ 2,624,021</b>	<b>2,624,021</b>

The purpose of interfund loans is to charge revenues and expenditures to the appropriate fund when that activity is accounted for through the centralized checking account. The balances represent each fund's portion of the centralized checking account.

**TOWN OF CAMDEN, MAINE**  
**Notes to Basic Financial Statements, Continued**

**INTERFUND TRANSFERS**

Individual fund transfers for the year ended June 30, 2015 were as follows:

	Transfers <u>in</u>	Transfers <u>out</u>
General fund	\$ -	130,000
Sewer operations fund	20,000	-
Nonmajor capital project reserve funds	110,000	-
<b>Totals</b>	<b>\$ 130,000</b>	<b>130,000</b>

These transfers were budgeted transfers to fund certain activities.

During the year, \$4,239,415 of capital assets purchased through the RMRA Redevelopment Fund were transferred to the Camden Snow Bowl. This transfer, originally shown as a capital contribution on Statement 8, is shown as a transfer between governmental activities and business-type activities on Statement 2.

**CHANGES IN LONG-TERM LIABILITIES**

Long-term liability activity for the year ended June 30, 2015 was as follows:

	Beginning <u>balance</u>	Additions	Reductions	Ending <u>balance</u>	Due within <u>one year</u>
<b>Governmental activities:</b>					
General obligation bonds and notes	\$ 2,213,599	-	214,862	1,998,737	217,131
Net pension liability	1,127,844	-	512,038	615,806	-
Capital leases	667,861	225,376	169,844	723,393	154,121
Accrued compensated absences (1)	345,002	30,229	-	375,231	-
<b>Governmental activity long-term liabilities</b>	<b>\$ 4,354,306</b>	<b>255,605</b>	<b>896,744</b>	<b>3,713,167</b>	<b>371,252</b>
<b>Business-type activities:</b>					
Capital leases	36,672	-	36,672	-	-
Accrued compensated absences (1)	26,674	7,888	-	34,562	-
<b>Business-type activity long-term liabilities</b>	<b>\$ 63,346</b>	<b>7,888</b>	<b>36,672</b>	<b>34,562</b>	<b>-</b>

(1) Compensated absences are shown as long-term since the amount due within one year cannot be reasonably estimated.

**TOWN OF CAMDEN, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**LONG-TERM DEBT**

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Bonds and notes payable and capital leases at June 30, 2015, are comprised of the following:

	<u>Amount</u> <u>issued</u>	<u>Date of</u> <u>issue</u>	<u>Date of</u> <u>maturity</u>	<u>Interest</u> <u>rate</u>	<u>Balance</u>
<u>Governmental activities:</u>					
General obligation bonds and notes:					
Public safety building	\$ 999,200	2003	2023	varies	449,640
Library bond	350,000	2003	2018	varies	93,336
Tannery loan	836,000	2006	2026	3.79%	536,904
Wastewater loan	885,000	2007	2022	1.33%	434,857
Wastewater loan	660,000	2010	2026	1.00%	484,000
<u>Total general obligation bonds and notes</u>					<u>1,998,737</u>
Capital leases:					
Fire truck	414,282	12/12/2011	12/12/2018	4.10%	248,119
Street sweeper	125,000	8/15/2006	8/15/2015	5.37%	14,843
Sidewalk snowplow	127,200	11/15/2013	11/15/2022	4.16%	101,507
Case wheel loader	105,827	12/15/2013	12/15/2019	3.39%	75,507
Western star dump truck	73,754	12/15/2013	12/15/2019	3.39%	52,495
Dump truck plow assembly	66,985	6/15/2014	6/15/2020	3.39%	47,793
2015 International truck	95,212	4/3/2015	4/3/2021	3.33%	80,238
Case T4 loader	82,540	4/3/2015	4/3/2020	3.19%	67,681
Kubota tractor	47,624	4/3/2015	4/3/2018	2.86%	35,210
<u>Total capital leases</u>					<u>723,393</u>
<b><u>Total governmental activities</u></b>					<b><u>\$ 2,722,130</u></b>

All governmental activities long-term debt service requirements are paid by the General Fund. Business-type debt is paid by the proprietary enterprise fund.

The NBV of assets capitalized under capital leases are \$480,752 for the governmental activities.

During the year, the Town approved, but did not issue bonds in the amount of \$2,000,000. These bonds will meet the Town's share of costs associated with the Capital Improvement Project to redevelop the facilities at Ragged Mountain.



**TOWN OF CAMDEN, MAINE**  
**Notes to Basic Financial Statements, Continued**

**LONG-TERM DEBT, CONTINUED**

The annual debt service requirements to amortize general obligation bonds are as follows:

**Governmental Activities**

**General obligation bonds**

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 217,130	57,581	274,711
2017	219,416	51,917	271,333
2018	221,872	46,005	267,877
2019	224,351	40,011	264,362
2020	203,571	34,196	237,767
2021-2025	809,911	79,328	889,239
2026	102,486	2,469	104,955
<b>Totals</b>	<b>\$ 1,998,737</b>	<b>311,507</b>	<b>2,310,244</b>

The following is a schedule of future minimum lease payments under capital leases and the present value of the net minimum lease payments at June 30, 2015:

**Governmental Activities**

2016	\$ 179,076
2017	163,436
2018	163,436
2019	151,022
2020	83,823
2021-2023	60,503
Total minimum lease payments	801,296
Less: amount representing interest	77,903
<b>Present value of future minimum lease payments</b>	<b>\$ 723,393</b>

**SHORT-TERM DEBT**

The Town issued a bond anticipation note to cover expenditures at Ragged Mountain. Although the total value of the bond anticipation note authorized was \$1,200,000, the Town only drew down \$650,000 in principal in the current year. Bond anticipation note activity for the year ended June 30, 2015, was as follows:

	<u>Beginning balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending balance</u>
<b>Bond anticipation notes</b>	<b>\$ -</b>	<b>650,000</b>	<b>-</b>	<b>650,000</b>

**TOWN OF CAMDEN, MAINE**  
**Notes to Basic Financial Statements, Continued**

**STATUTORY DEBT LIMIT**

In accordance with 30-A MRSA, Section 5701, no municipality shall incur debt for specified purposes in excess of certain percentages of state valuation of such municipality. Additionally, no municipality shall incur debt in the aggregate in excess of 15% of its state assessed valuation. At June 30, 2015, the Town's outstanding debt did not exceed these limits.

**Overlapping Debt**

The Town's proportionate share of debt of all local government units which provide services within the Town's boundaries, and which must be borne by properties in the Town is summarized as follows:

<u>Units</u>	<u>Net debt outstanding June 30, 2015</u>	<u>Percentage applicable to the Town</u>	<u>Town's proportionate share of debt</u>
Five Town CSD	\$ 6,678,091	36.73%	\$ 2,452,863
School Administrative District No. 28	12,007,536	55.62%	6,678,592
Mid Coast Solid Waste Corporation	24,050	35.38%	8,509
Knox County	2,160,000	16.05%	346,751

The Town's proportionate share of overlapping debt is paid through annual assessments by the respective units.

**FUND BALANCE**

As of June 30, 2015, other fund balance components consisted of the following:

	<u>Nonspendable</u>	<u>Restricted</u>	<u>Committed</u>	<u>Assigned</u>
General Fund:				
Inventory	\$ 8,526	-	-	-
Subsequent years expenditures	-	-	-	1,500,000
Sewer Operations Fund	-	-	685,767	56,128
Charles Wood Fund	902,731	938,912	-	-
Nonmajor Special Revenue Funds:				
Grant Funds	-	6,316	-	-
Restricted Funds:				
Public Safety	-	27,163	-	-
Highways, Streets and Bridges	-	2,075	-	-
Leisure Services	-	98,322	-	-
Cemeteries	-	1,519	-	-
Solid Waste	-	5,989	-	-
Other	-	135,622	-	-
Nonmajor Capital Reserve Funds	-	-	850,838	-
Nonmajor Permanent Funds	1,661,613	360,075	-	-
<b>Totals</b>	<b>\$ 2,572,870</b>	<b>1,575,993</b>	<b>1,536,605</b>	<b>1,556,128</b>

**TOWN OF CAMDEN, MAINE**  
**Notes to Basic Financial Statements, Continued**

**FUND BALANCE, CONTINUED**

At June 30, 2015 and 2014, fund balances were assigned to future periods as follows:

	<u>2015</u>	<u>2014</u>
General Fund:		
Subsequent years budget	\$ 1,500,000	-
Police department	-	22,395
Fire department	-	19,946
Highways, streets and bridges	-	102,256
Contingency	-	35,000
<b>Total General Fund assigned fund balance</b>	<b>\$ 1,500,000</b>	<b>179,597</b>
Sewer Operations Fund:		
Sewer Operations	\$ 56,128	113,371
Treatment and sludge pumps	-	18,000
Inflow and infiltration	-	14,000
<b>Total Sewer Operations Fund assigned fund balance</b>	<b>\$ 56,128</b>	<b>145,371</b>

**NET POSITION**

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds and capital leases payable and adding back any unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the Town or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The Town's net investment in capital assets was calculated as follows at June 30, 2015:

	<u>Governmental activities</u>	<u>Business-type activities</u>
Capital assets	\$ 19,998,900	5,415,862
Accumulated depreciation	(8,371,003)	(449,463)
Bonds payable	(1,998,737)	-
Capital leases	(723,393)	-
<b>Total net investment in capital assets</b>	<b>\$ 8,905,767</b>	<b>4,966,399</b>

**RISK MANAGEMENT**

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Town either carries commercial insurance, participates in public entity risk pools, or is effectively self-insured. Currently, the Town participates in several public entity and self-insured risk pools sponsored by the Maine Municipal Association (MMA). Based on the coverage provided by these pools, as well as coverage provided by commercial insurance purchased, the Town is not aware of any material actual or potential claim liabilities which should be recorded at June 30, 2015.

**TOWN OF CAMDEN, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM**

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***General Information about the Pension Plan***

**Plan Description** - Employees of the Town are provided with pensions through the Maine Public Employees Retirement System Consolidated Plan for Local Participating Districts (PLD Plan), a cost-sharing multiple-employer defined benefit pension plan, administered by the Maine Public Employees Retirement System (MPERS). Benefit terms are established in Maine statute; in the case of the PLD Plan, an advisory group, also established by statute, reviews the terms of the plan and periodically makes recommendations to the Maine State Legislature to amend the terms. MPERS issues a publicly available financial report that can be obtained at [www.maineopers.org](http://www.maineopers.org).

**Benefits Provided** - The PLD Plan provides defined retirement benefits based on members' average final compensation and service credit earned as of retirement. Vesting (i.e. eligibility for benefits upon reaching qualification) occurs upon the earning of five years of service credit. In some cases, vesting occurs on the earning of one year of service credit immediately preceding retirement at or after normal retirement age. For PLD members, normal retirement age is 60 (65 for new members to the PLD Plan on or after July 1, 2014). The monthly benefit of members who retire before normal retirement age by virtue of having at least 25 years of service credit is reduced by a statutorily prescribed factor for each year of age that a member is below her/his normal retirement age at retirement. MPERS also provides disability and death benefits, which are established by contract under applicable statutory provisions.

**Contributions** - Employee contribution rates are defined by law or Board rule and depend on the terms of the plan under which an employee is covered. Employer contributions are determined by actuarial valuations. Employees are required to contribute 7.0% of their annual pay. The Town's contractually required contribution rate for the year ended June 30, 2015, was 7.8% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Town were \$170,286 for the year ended June 30, 2015.

***Pension Liabilities, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources Related to Pensions***

At June 30, 2015, the Town reported a liability of \$615,806 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating local districts, actuarially determined. At June 30, 2014, the Town's proportion was 0.4002%.

**TOWN OF CAMDEN, MAINE**  
**Notes to Basic Financial Statements, Continued**

**MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM, CONTINUED**

For the year ended June 30, 2015, the Town recognized pension gain of \$137,859. At June 30, 2015, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 57,995	-
Net difference between projected and actual earnings on pension plan investments	-	523,220
Changes in proportion and differences between Town contributions and proportionate share of contributions	59,489	-
Town contributions subsequent to the measurement date	170,286	-
<b>Total</b>	<b>\$ 287,770</b>	<b>523,220</b>

\$170,286 is reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

2016	\$ (91,644)
2017	(91,644)
2018	(91,644)
2019	(130,804)

**Actuarial Assumptions** - The total pension liability in the June 30, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.5%	
Salary Increases	3.5% to 9.5% per year	
Investment return	7.25% per annum, compounded annually	
Cost of living benefit increases	3.12% per annum	

Mortality rates were based on the RP2000 Combined Mortality Table projected forward to 2015 using Scale AA.

The actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2005 to June 30, 2010.

**TOWN OF CAMDEN, MAINE**  
**Notes to Basic Financial Statements, Continued**

**MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM, CONTINUED**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2014 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
US equities	20%	2.5%
Non-US equities	20%	5.5%
Private equity	10%	7.6%
Real estate	10%	3.7%
Infrastructure	10%	4.0%
Hard assets	5%	4.8%
Fixed income	25%	0.0%
<b><u>Total</u></b>	<b><u>100%</u></b>	

**Discount Rate** - The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from participating local districts will be made at contractually required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the Town's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** - The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1 percentage-point higher (8.25%) than the current rate:

	1% Decrease <u>(6.25%)</u>	Current Discount Rate <u>(7.25%)</u>	1% Increase <u>(8.25%)</u>
Town's proportionate share of the net pension liability	\$ 1,921,134	615,806	(475,286)

**Pension Plan Fiduciary Net Position** - Detailed information about the pension plan's fiduciary net position is available in the separately issued MPERS financial report.

**Payables to the Pension Plan** - None as of June 30, 2015.

**TOWN OF CAMDEN, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**457 RETIREMENT PLAN**

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The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457, through the International City Management Association (ICMA). The plan, available to all Town employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. Assets of the plan are automatically placed in trust for the exclusive benefit of participants and their beneficiaries by ICMA. Accordingly, the assets and the liability for the compensation deferred by plan participants, including earnings on plan assets are not included in the Town's financial statements.

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**NEW PRONOUNCEMENTS AND RESTATEMENT OF NET POSITION**

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For the fiscal year ended June 30, 2015, the Town has elected to implement Statement No. 68 of the Governmental Accounting Standards Board – *Accounting and Financial Reporting for Pensions*, an amendment of GASB Statement No. 27. As a result of implementing GASB Statement No. 68, the Town has restated beginning net position in the government-wide statement of net position to account for the addition of the Town's proportionate share of the net pension liability of \$1,127,844 and deferred outflows for the Town's contributions subsequent to the measurement date of \$138,729, which effectively decreased the Town's net position as of July 1, 2014 by \$989,115.

**TOWN OF CAMDEN, MAINE**  
**Required Supplementary Information**

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**Schedule of Town's Proportionate Share of the Net Pension Liability**  
**Maine Public Employees Retirement System Consolidated Plan**

Last 10 Fiscal Years\*\*

2015\*

Town's proportion of the net pension liability	0.4002%
Town's proportionate share of the net pension liability \$	615,806
Town's covered-employee payroll	2,183,154
Town's proportion share of the net pension liability as a percentage of its covered-employee payroll	28.21%
Plan fiduciary net position as a percentage of of the total pension liability	94.10%

*\* The amounts presented for each fiscal year were determined as of the prior fiscal year.*

*\*\* Only one year of information available.*



**TOWN OF CAMDEN, MAINE**  
**Required Supplementary Information, Continued**

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**Schedule of Town Contributions**  
**Maine Public Employees Retirement System Consolidated Plan**

Last 10 Fiscal Years\*

	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 170,286	138,729
Contributions in relation to the contractually required contribution	<u>(170,286)</u>	<u>(138,729)</u>
<b>Contribution deficiency (excess)</b>	<b>\$ -</b>	<b>-</b>
Town's covered-employee payroll	\$2,183,154	2,134,299
Contributions as a percentage of covered- Employee payroll	7.80%	6.50%

\* Only two years of information available.

## **GENERAL FUND**

The General Fund is the general operating fund of the Town. All general tax revenues and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. The fund pays general operating expenditures, fixed charges, and capital improvement costs which are not paid through other funds.

**TOWN OF CAMDEN, MAINE**  
**General Fund**  
**Comparative Balance Sheets**  
**June 30, 2015 and 2014**

	<b>2015</b>	<b>2014</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 147,287	118,285
Investments	2,137,066	3,154,317
Receivables:		
Accounts receivable (net of allowance of \$2,676 for both 2015 and 2014)	25,200	268,641
Taxes receivable - current year	824,264	663,059
Tax liens - prior years	72,051	68,067
Tax acquired property	26,808	26,808
Interfund loans receivable	1,041,986	-
Inventory	8,526	43,987
<b>Total assets</b>	<b>\$ 4,283,188</b>	<b>4,343,164</b>
<b>LIABILITIES</b>		
Accounts payable and payroll withholdings	435,168	253,212
Accrued wages	69,395	58,023
Bond anticipation note payable	650,000	-
Interfund loans payable	-	809,924
Other unearned revenue	-	10,387
<b>Total liabilities</b>	<b>1,154,563</b>	<b>1,131,546</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable revenue - property taxes	265,180	216,300
<b>Total deferred inflows of resources</b>	<b>265,180</b>	<b>216,300</b>
<b>FUND BALANCE</b>		
Nonspendable - inventory	8,526	43,987
Assigned	1,500,000	179,597
Unassigned	1,354,919	2,771,734
<b>Total fund balance</b>	<b>2,863,445</b>	<b>2,995,318</b>
<b>Total liabilities, deferred inflows of resources, and fund balance</b>	<b>\$ 4,283,188</b>	<b>4,343,164</b>

**TOWN OF CAMDEN, MAINE**  
**General Fund**  
**Statement of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget and Actual**  
**For the year ended June 30, 2015**

	2014 Carryforward balance	2015			Variance positive (negative)
		Original budget	Final budget	Actual	
Revenues:					
Taxes:					
Property taxes	\$ -	15,938,018	15,938,018	15,938,020	2
Tax increment financing districts	-	-	-	(49,002)	(49,002)
Supplemental taxes	-	-	-	4,230	4,230
Homestead reimbursement	-	73,512	73,512	73,287	(225)
BETE reimbursement	-	7,089	7,089	7,157	68
Change in unavailable property tax revenue	-	-	-	(48,880)	(48,880)
Excise taxes	-	820,200	820,200	951,080	130,880
Interest and costs on taxes	-	62,500	62,500	45,543	(16,957)
Total taxes	-	16,901,319	16,901,319	16,921,435	20,116
Intergovernmental:					
State Revenue Sharing	-	170,000	170,000	179,336	9,336
State road assistance	-	59,000	59,000	54,140	(4,860)
Tree growth reimbursement	-	8,500	8,500	7,873	(627)
Snowmobile reimbursement	-	500	500	410	(90)
Veterans reimbursement	-	5,500	5,500	6,242	742
Pumpout boat grant	-	23,000	23,000	14,787	(8,213)
State park reimbursement	-	5,000	5,000	8,958	3,958
Total intergovernmental	-	271,500	271,500	271,746	246
Licenses and permits:					
Animal control fees	-	2,000	2,000	2,369	369
Town Clerk fees	-	15,000	15,000	14,442	(558)
Plumbing fees	-	7,000	7,000	8,996	1,996
Building permits	-	50,000	50,000	49,551	(449)
Administration fees	-	16,000	16,000	16,660	660
Cable TV franchise	-	68,000	68,000	71,428	3,428
Electrical fees	-	4,000	4,000	4,756	756
Total licenses and permits	-	162,000	162,000	168,202	6,202

**TOWN OF CAMDEN, MAINE**  
**General Fund**  
**Statement of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget and Actual, Continued**

	2014 Carryforward balance	2015			Variance positive (negative)
		Original budget	Final budget	Actual	
Revenues, continued:					
Charges for services:					
Harbor fees	\$ -	215,000	215,000	250,043	35,043
Police revenue	-	3,000	3,000	3,014	14
Parking tickets	-	10,000	10,000	21,350	11,350
Parks and recreation revenue	-	18,000	18,000	25,879	7,879
Parks and recreation mowing	-	5,000	5,000	5,550	550
Cemetery maintenance	-	50,000	50,000	50,000	-
Harbor Park mowing	-	5,000	5,000	6,500	1,500
Total charges for services	-	306,000	306,000	362,336	56,336
Interest earned	-	10,000	10,000	9,086	(914)
Total interest earned	-	10,000	10,000	9,086	(914)
Other revenues:					
Opera House	-	80,000	80,000	72,898	(7,102)
Yacht Club lease	-	21,000	21,000	21,078	78
Wastewater bond reimbursement	-	14,450	14,450	13,864	(586)
Public Landing leases	-	3,000	3,000	3,294	294
Miscellaneous	-	6,000	6,000	3,437	(2,563)
Total other revenues	-	124,450	124,450	114,571	(9,879)
Total revenues	-	17,775,269	17,775,269	17,847,376	72,107

**TOWN OF CAMDEN, MAINE**  
**General Fund**  
**Statement of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget and Actual, Continued**

	2014 Carryforward balance	2015			Variance positive (negative)
		Original budget	Final budget	Actual	
Expenditures:					
Current:					
General government:					
Administration, finance, codes and assessing	\$ -	711,175	711,175	716,868	(5,693)
Professional services	-	50,000	50,000	72,093	(22,093)
Planning and development	-	287,600	287,600	209,657	77,943
Information technology	-	66,000	66,000	52,194	13,806
Insurance	-	206,160	206,160	256,190	(50,030)
Opera House/Town offices	-	83,595	83,595	82,222	1,373
Opera House/auditorium	-	230,032	230,032	245,850	(15,818)
Total general government	-	1,634,562	1,634,562	1,635,074	(512)
Public safety:					
Police department	22,395	991,925	1,014,320	978,144	36,176
County dispatch	-	125,600	125,600	125,600	-
Fire department	19,946	379,280	399,226	423,274	(24,048)
Public safety building	-	44,000	44,000	48,580	(4,580)
Hydrant rental	-	233,590	233,590	233,035	555
EMS Service	-	10,000	10,000	10,000	-
Street lights	-	60,500	60,500	63,041	(2,541)
Total public safety	42,341	1,844,895	1,887,236	1,881,674	5,562
Highways, streets and bridges:					
Public works	9,845	908,550	918,395	923,458	(5,063)
Street and sidewalks	92,411	432,500	524,911	396,047	128,864
Parking	-	4,400	4,400	2,694	1,706
Tree program	-	19,500	19,500	19,500	-
Total highways, streets and bridges	102,256	1,364,950	1,467,206	1,341,699	125,507

**TOWN OF CAMDEN, MAINE**  
**General Fund**  
**Statement of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget and Actual, Continued**

	2014 Carryforward balance	2015			Variance positive (negative)
		Original budget	Final budget	Actual	
Expenditures, continued					
Current, continued:					
Health and welfare:					
Provider agencies	\$ -	5,925	5,925	5,925	-
Total health and welfare	-	5,925	5,925	5,925	-
Leisure services:					
Community services	-	21,500	21,500	21,500	-
Camden Public Library	-	375,000	375,000	375,000	-
Harbor and landing	-	171,755	171,755	169,723	2,032
Recreation	-	154,520	154,520	156,685	(2,165)
Parks	-	219,685	219,685	204,941	14,744
Dams	-	5,000	5,000	2,941	2,059
Harbor Park	-	-	-	1,446	(1,446)
Total leisure services	-	947,460	947,460	932,236	15,224
Cemeteries:					
Cemetery association	-	40,000	40,000	40,000	-
Cemetery maintenance	-	55,245	55,245	35,289	19,956
Total cemeteries	-	95,245	95,245	75,289	19,956
Contingency	35,000	40,000	75,000	37,377	37,623
Unclassified:					
MCSWC assessment	-	203,622	203,622	203,622	-
Educations - MSAD #28	-	6,230,365	6,230,365	6,230,365	-
Education - Five Town CSD	-	3,823,379	3,823,379	3,823,379	-
County tax	-	1,070,831	1,070,831	1,070,830	1
Overlay/abatements	-	17,553	17,553	5,398	12,155
Total unclassified	-	11,345,750	11,345,750	11,333,594	12,156
Debt service:					
Principal	-	416,588	416,588	383,119	33,469
Interest	-	125,314	125,314	89,641	35,673
Total debt service	-	541,902	541,902	472,760	69,142

**TOWN OF CAMDEN, MAINE**  
**Statement of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget and Actual - General Fund, Continued**

	2014 Carryforward balance	2015			Variance positive (negative)
		Original budget	Final budget	Actual	
Expenditures, continued:					
Capital improvements and reserves:					
Capital improvements:					
Police cruiser	\$ -	35,000	35,000	51,226	(16,226)
Spruce Street drainage	-	60,000	60,000	52,395	7,605
Public Works fuel depot	-	9,000	9,000	-	9,000
Public works roof repairs*	-	10,000	10,000	-	10,000
2015 International truck*	-	-	95,212	95,212	-
Case T4 loader*	-	-	82,540	82,540	-
Kubota tractor	-	-	47,624	47,624	-
SB 3/4 ton truck w/plow	-	30,000	30,000	30,000	-
Total capital improvements and reserves	-	144,000	369,376	358,997	10,379
Total expenditures	179,597	17,964,689	18,369,662	18,074,625	295,037
Excess (deficiency) of revenues over (under) expenditures	(179,597)	(189,420)	(594,393)	(227,249)	367,144
Other financing sources (uses):					
Transfers out:					
Reserves	-	(130,000)	(130,000)	(130,000)	-
Proceeds from capital lease*	-	-	225,376	225,376	-
Utilization of prior year surplus	-	319,420	319,420	150,000	(169,420)
Utilization of carryforward balances	179,597	-	179,597	-	(179,597)
Total other financing sources	179,597	189,420	594,393	245,376	(349,017)
Net change in fund balances, budgetary basis	-	-	-	18,127	18,127
Reconciliation to GAAP:					
Utilization of fund balance				(150,000)	
Net change in fund balances, GAAP basis				(131,873)	
Fund balance, beginning of year				2,995,318	
<b>Fund balance, end of year</b>	<b>\$</b>			<b>2,863,445</b>	

\* Budget adjusted for capital lease proceeds.



**SEWER OPERATIONS FUND**

**TOWN OF CAMDEN, MAINE**  
**Sewer Operations Fund**  
**Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the year ended June 30, 2015**  
**(with comparative actual totals for the year ended June 30, 2014)**

	2015			2014
	Budget	Actual	Variance positive (negative)	
<b>Revenues:</b>				
Sewer billings	\$ 827,486	860,503	33,017	867,553
Other	50	95	45	50
Total revenues	827,536	860,598	33,062	867,603
<b>Expenditures:</b>				
<b>Administration:</b>				
Salaries	253,811	273,521	(19,710)	259,742
Taxes and benefits	133,420	127,303	6,117	120,140
Professional fees	3,800	2,330	1,470	2,100
GIS updates	1,500	-	1,500	-
Information technology	7,500	7,103	397	520
Billing service	31,125	32,676	(1,551)	31,058
Insurance	20,230	15,186	5,044	13,902
Professional development	750	2,225	(1,475)	1,030
Uniforms	1,250	1,250	-	1,250
Gasoline, diesel and oil	5,500	3,802	1,698	5,319
Communications	3,500	3,464	36	1,236
Repairs and maintenance - vehicles	3,000	2,282	718	3,314
Supplies and other	3,700	6,558	(2,858)	2,382
Total administration	469,086	477,700	(8,614)	441,993
<b>Operating and maintenance:</b>				
Utilities	106,000	94,617	11,383	91,147
Sludge disposal	80,000	64,557	15,443	89,322
Chemicals	27,000	25,569	1,431	21,633
Repairs and maintenance - sewer lines	50,000	25,722	24,278	15,500
Repairs and maintenance - plant	40,000	44,470	(4,470)	37,537
Repairs and maintenance - pump station	5,000	5,000	-	1,906
Mowing	5,000	5,000	-	5,000
Laboratory services	4,000	3,775	225	2,901
Security services	2,000	2,000	-	1,956
Total operating and maintenance	319,000	270,710	48,290	266,902
Capital reserve transfers	80,000	80,000	-	120,000
Capital improvements	79,450	121,430	(41,980)	84,470
Total expenditures	947,536	949,840	(2,304)	913,365
Net change in fund balance - operations	(120,000)	(89,242)	30,758	(45,762)
<b>Activity in reserve funds/other sources:</b>				
Transfer in from operating budget - reserves	120,000	20,000	(100,000)	120,000
Reserve expenditures/revenues	-	297,790	297,790	(207,200)
Net reserve activity	120,000	317,790	197,790	(87,200)
Net change in fund balance	-	228,548	228,548	(132,962)
Fund balance, beginning of year		513,347		646,309
<b>Fund balance, end of year</b>	<b>\$</b>	<b>741,895</b>		<b>513,347</b>

**TOWN OF CAMDEN, MAINE**  
**Sewer Operations Fund - Capital Reserves**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the year ended June 30, 2015**

	Fund balances beginning of year	Revenues Other miscellaneous	Expenditures	Transfers in (out)	Fund balances end of year
Capital Reserve Funds:					
Accrued benefits	\$ 24,784	-	-	-	24,784
Equipment	186,446	-	-	-	186,446
Inflow and infiltration	23,370	89,850	-	20,000	133,220
Intown sewer	52,066	204,806	-	-	256,872
Pump stations	81,310	3,135	-	-	84,445
<b>Totals</b>	<b>\$ 367,976</b>	<b>297,791</b>	<b>-</b>	<b>20,000</b>	<b>685,767</b>

**NONMAJOR GOVERNMENTAL FUNDS**

**TOWN OF CAMDEN, MAINE**  
**Nonmajor Governmental Funds**  
**Combining Balance Sheet**  
**June 30, 2015**

	Special Revenue Funds			Capital Project	Permanent Funds	Totals
	Grant Funds	Restricted Funds	Seabright Fund	Reserve Funds		
<b>ASSETS</b>						
Cash and cash equivalents	\$ -	8,504	-	-	358,415	366,919
Investments	-	-	-	-	1,697,229	1,697,229
Interfund loans receivable	-	223,281	-	839,938	1,460	1,064,679
<b>Total assets</b>	<b>\$ -</b>	<b>231,785</b>	<b>-</b>	<b>839,938</b>	<b>2,057,104</b>	<b>3,128,827</b>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable	-	-	-	-	35,275	35,275
Interfund loans payable	58,278	-	22,457	-	141	80,876
Total liabilities	58,278	-	22,457	-	35,416	116,151
Fund balances (deficit):						
Nonspendable - trust principal	-	-	-	-	1,661,613	1,661,613
Restricted	6,316	270,690	-	-	360,075	637,081
Committed	-	-	-	850,838	-	850,838
Unassigned	(64,594)	(38,905)	(22,457)	(10,900)	-	(136,856)
Total fund balances (deficit)	(58,278)	231,785	(22,457)	839,938	2,021,688	3,012,676
<b>Total liabilities and fund balances</b>	<b>\$ -</b>	<b>231,785</b>	<b>-</b>	<b>839,938</b>	<b>2,057,104</b>	<b>3,128,827</b>

**TOWN OF CAMDEN, MAINE**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the year ended June 30, 2015**

	Special Revenue Funds			Capital Project Reserve Funds	Permanent Funds	Totals
	Grant Funds	Restricted Funds	Seabright Fund			
Revenues:						
Property taxes	\$ -	50,150	-	-	-	50,150
Intergovernmental	201,397	3,796	19,194	-	-	224,387
Charges for services	-	180,339	-	-	-	180,339
Interest earned	-	-	-	-	35,275	35,275
Contributions	-	-	-	-	10,000	10,000
Realized and unrealized gains (losses)	-	-	-	-	135,344	135,344
Other	-	91,043	-	3,837	1,855	96,735
Total revenues	201,397	325,328	19,194	3,837	182,474	732,230
Expenditures:						
Current:						
General government	-	652	-	42,490	-	43,142
Public safety	1,924	635	-	-	-	2,559
Highways, streets and bridges	44,861	151,585	-	8,814	-	205,260
Human services	503	-	-	-	58,436	58,939
Leisure services	35,603	10,466	-	6,131	-	52,200
Cemeteries	-	5,788	-	-	39,984	45,772
Solid waste	-	9,208	-	-	-	9,208
Other	185,508	22,290	10,537	-	-	218,335
Total expenditures	268,399	200,624	10,537	57,435	98,420	635,415
Excess (deficiency) of revenues over (under) expenditures	(67,002)	124,704	8,657	(53,598)	84,054	96,815
Other financing sources:						
Transfers from other funds	-	-	-	110,000	-	110,000
Total other financing sources	-	-	-	110,000	-	110,000
Net change in fund balances	(67,002)	124,704	8,657	56,402	84,054	206,815
Fund balances (deficit), beginning of year	8,724	107,081	(31,114)	783,536	1,937,634	2,805,861
<b>Fund balances (deficit), end of year</b>	<b>\$ (58,278)</b>	<b>231,785</b>	<b>(22,457)</b>	<b>839,938</b>	<b>2,021,688</b>	<b>3,012,676</b>

## **SCHEDULES**

**TOWN OF CAMDEN, MAINE**  
**Nonmajor Special Revenue Funds**  
**Grant and Restricted Funds**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**For the year ended June 30, 2015**

	Fund balances			Program expenditures	Fund balances
	(deficit) beginning of year	Program revenues			(deficit) end of year
		Fed/State	Other		
<b>Grant Funds:</b>					
Public safety:					
DOJ Bullet proof vest grant	\$ -	610	-	610	-
Volunteer Fire Assistance grant	-	1,314	-	1,314	-
Safety Enhancement Grant	(2,000)	2,000	-	-	-
Highways, streets and bridges:					
Tannery Riverwalk	(2,057)	-	-	-	(2,057)
Route 105 Sidewalk Extension	(9,620)	-	-	-	(9,620)
SHIP/Hoist & Walkway Grant	-	-	-	44,861	(44,861)
Human services:					
Wellness Grant	818	649	-	503	964
Leisure services:					
Opera House piano	2,300	-	-	-	2,300
Opera House Web redesign	5,000	-	-	3,103	1,897
Belvedere Library	12,500	-	-	12,500	-
Opera House Film Grant	-	20,000	-	20,000	-
Other:					
KNX	(835)	-	-	-	(835)
Lupine Terrace Grant	(50)	-	-	-	(50)
Project Canopy	1,513	15,048	-	23,732	(7,171)
Shore and Harbor Grant	1,155	-	-	-	1,155
LWCF Grant	-	71,250	-	71,250	-
EMPG Grant	-	5,026	-	5,026	-
Efficiency Maine Grant	-	85,500	-	85,500	-
<b>Total grant funds</b>	<b>8,724</b>	<b>201,397</b>	<b>-</b>	<b>268,399</b>	<b>(58,278)</b>
<b>Restricted Funds:</b>					
General government:					
FICA/Medicare	(1,802)	-	-	652	(2,454)
Public safety:					
Fire safety education	3,518	-	1,019	635	3,902
Police career development	23,261	-	-	-	23,261
Highways, streets and bridges:					
Tamarack Trail Subdivision	2,075	-	-	-	2,075
Gasoline	(46,881)	-	180,339	151,585	(18,127)
Leisure services:					
Opera House capital campaign	20,566	-	1,690	7,960	14,296
Opera House productions	19,989	3,796	-	-	23,785
Parks Memorial projects	426	-	-	-	426
Garden Club	-	-	2,700	-	2,700
Mt. Battie Tower Fund	-	-	59,301	2,506	56,795
Resident Shade Trees	-	-	320	-	320
Cemeteries:					
Oak Hill Cemetery Garden	2,453	-	4,854	5,788	1,519
Solid waste:					
MCSWC trash bags	1,051	-	2,004	1,280	1,775
MCSWC contract bookkeeping	5,081	-	7,061	7,928	4,214
Other:					
TIF/Business Highway	6,621	-	3,224	-	9,845
TIF/Downtown	59,448	-	46,926	-	106,374
Assistance (Heating & Utility)	1,490	-	552	1,667	375
Escrow Accounts	-	-	8,504	-	8,504
Noel Paul Stookey	412	-	-	412	-
Fred Garbo	36	-	-	36	-
Iris Dement	112	-	-	112	-
Harbor benches	5,752	-	1,200	-	6,952
Honor roll (Village Green)	3,473	-	-	301	3,172
CIFF Selects	-	-	550	150	400
Mary Chapin Carpenter	-	-	1,288	19,612	(18,324)
<b>Total restricted funds</b>	<b>107,081</b>	<b>3,796</b>	<b>321,532</b>	<b>200,624</b>	<b>231,785</b>
<b>Total</b>	<b>\$ 115,805</b>	<b>205,193</b>	<b>321,532</b>	<b>469,023</b>	<b>173,507</b>



**TOWN OF CAMDEN, MAINE**  
**Nonmajor Capital Project Reserve Funds**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**For the year ended June 30, 2015**

	Fund balances beginning of year	Revenues Other miscellaneous	Expenditures	Transfers in	Fund balances (deficit) end of year
Reserve Funds:					
General Government:					
Accrued benefits	\$ 66,568	-	28,318	15,000	53,250
Opera House maintenance	79,653	-	1,850	10,000	87,803
Economic development	23,711	-	-	-	23,711
Conservation	2,396	-	500	-	1,896
Computer/IT	8,797	-	11,822	10,000	6,975
TIF	30,000	-	-	-	30,000
Energy conservation	25,000	-	-	5,000	30,000
Public Safety:					
Police equipment	9,911	-	-	-	9,911
Fire equipment	6,762	-	-	-	6,762
Fire truck reserve	-	-	-	5,000	5,000
Public safety building	12,000	-	-	-	12,000
Highways, Streets and Bridges:					
Storm sewer	80,813	-	-	20,000	100,813
Parking	51,834	-	-	5,000	56,834
Street improvements	20,000	-	5,000	10,000	25,000
Winter maintenance	115,980	-	3,814	-	112,166
Fuel Depot maintenance	(10,900)	-	-	-	(10,900)
Washington Street sidewalks	32,528	-	-	-	32,528
Public Works equipment	1,019	-	-	-	1,019
Leisure Services:					
Parks equipment	29,852	-	3,368	-	26,484
Tennis court	24,777	-	-	-	24,777
Parks and open space	-	-	-	10,000	10,000
Harbor dredging	11,015	-	-	-	11,015
Camden Dam	78,733	2,000	-	-	80,733
Harbor bench maintenance	10,534	1,837	746	-	11,625
Harbor projects	24,218	-	2,017	20,000	42,201
Camden/Lincolnvilve Dam	46,960	-	-	-	46,960
Parks Memorial projects	1,375	-	-	-	1,375
<b>Totals</b>	<b>\$ 783,536</b>	<b>3,837</b>	<b>57,435</b>	<b>110,000</b>	<b>839,938</b>

**TOWN OF CAMDEN, MAINE**  
**Nonmajor Permanent Funds**  
**Schedule of Changes in Fund Balances**  
**For the year ended June 30, 2015**  
**(with comparative totals for June 30, 2014)**

	Camden	Mountain	Nellie A.	Oak Hill	Camden	Atlantic Engine	Village	Irene F.	Olive A.	Shadie	French	LaCasse	Totals	
	Snow Bowl	View Cemetery Fund	Knowlton Fund	Cemetery Fund	Public Library Fund	Company No. 2 Fund	Green Fund	Laité Trust	Coates Fund	Niles Trust	Fund	Scholarship Fund	2015	2014
Revenues:														
Interest income	408	22,101	439	7,431	410	1,851	70	2,565	-	-	-	-	35,275	27,562
Contributions	-	-	-	-	-	-	-	10,000	-	-	-	-	10,000	10,000
Realized and unrealized gains (losses)	388	22,457	417	7,058	389	1,758	67	2,436	85,163	11,276	3,917	18	135,344	278,873
Other	-	-	-	1,855	-	-	-	-	-	-	-	-	1,855	4,440
<b>Total revenues</b>	<b>796</b>	<b>44,558</b>	<b>856</b>	<b>16,344</b>	<b>799</b>	<b>3,609</b>	<b>137</b>	<b>15,001</b>	<b>85,163</b>	<b>11,276</b>	<b>3,917</b>	<b>18</b>	<b>182,474</b>	<b>320,875</b>
Expenditures:														
Charitable aid	546	-	588	-	548	2,477	95	3,433	39,225	7,590	3,916	18	58,436	79,830
Cemetery care	-	30,039	-	9,945	-	-	-	-	-	-	-	-	39,984	7,559
<b>Total expenditures</b>	<b>546</b>	<b>30,039</b>	<b>588</b>	<b>9,945</b>	<b>548</b>	<b>2,477</b>	<b>95</b>	<b>3,433</b>	<b>39,225</b>	<b>7,590</b>	<b>3,916</b>	<b>18</b>	<b>98,420</b>	<b>87,389</b>
Excess (deficiency) of revenues over (under) expenditures	250	14,519	268	6,399	251	1,132	42	11,568	45,938	3,686	1	-	84,054	233,486
Fund balances, beginning of year	\$ 18,821	1,019,321	19,893	342,753	18,893	85,349	3,252	118,443	293,037	6,059	6	11,807	1,937,634	1,704,148
<b>Fund balances, end of year</b>	<b>\$ 19,071</b>	<b>1,033,840</b>	<b>20,161</b>	<b>349,152</b>	<b>19,144</b>	<b>86,481</b>	<b>3,294</b>	<b>130,011</b>	<b>338,975</b>	<b>9,745</b>	<b>7</b>	<b>11,807</b>	<b>2,021,688</b>	<b>1,937,634</b>

**TOWN OF CAMDEN, MAINE**  
**Agency Funds**  
**Schedule of Changes in Assets and Liabilities**  
**For the year ended June 30, 2015**

	Balance 07/01/14	Additions	Deletions	Balance 06/30/15
<b>CEMETERY FUNDS:</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 36,534	48	11,420	25,162
Interfund loans receivable	838	-	-	838
Accounts receivable	23,205	29,357	23,205	29,357
<b>Total assets</b>	<b>\$ 60,577</b>	<b>29,405</b>	<b>34,625</b>	<b>55,357</b>
<b>LIABILITIES</b>				
Interfund loans payable	38,743	79,211	76,629	41,325
Held on behalf of others	21,834	42,004	49,806	14,032
<b>Total liabilities</b>	<b>\$ 60,577</b>	<b>121,215</b>	<b>126,435</b>	<b>55,357</b>