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Audited Financial Statements
and Other Financial Information

Town of Camden, Maine

June 30, 2018



Proven Expertise and Integrity

TOWN OF CAMDEN, MAINE

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JUNE 30, 2018

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INDEPENDENT AUDITORS' REPORT

Board of Selectmen
Town of Camden
Camden, Maine

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Town of Camden, Maine as of and for the year ended June 30, 2018, 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 of material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Town of Camden, Maine as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension and OPEB related information on pages 4 through 12 and 79 through 86 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 Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund Revenues, Schedule of Departmental Operations - General Fund, combining and individual nonmajor fund financial statements and capital asset schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund Revenues, Schedule of Departmental Operations - General Fund,

combining and individual nonmajor fund financial statements and capital asset schedules are the responsibility of management and were derived from and related 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, Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund Revenues, Schedule of Departmental Operations - General Fund, combining and individual nonmajor fund financial statements and capital asset schedules are 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 March 19, 2019 on our consideration of the Town of Camden, Maine's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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.

RHR Smith & Company

Buxton, Maine
March 19, 2019

**REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2018**

(UNAUDITED)

The following management's discussion and analysis of Town of Camden, Maine's financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2018. Please read it in conjunction with the Town's financial statements.

Financial Statement Overview

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

Basic Financial Statements

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

Government-Wide Financial Statements

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

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

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

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

- *Governmental activities* – The activities in this section are mostly supported by taxes and intergovernmental revenues (federal and state grants). Most of the Town's basic services are reported in governmental activities, which include general government, public safety, public services, health and welfare, leisure services, cemeteries, education and unclassified.
- *Business-type activities* – These activities are normally intended to recover all or a significant portion of their costs through user fees and/or charges to external users for goods and/or services. These activities for the Town of Camden include the Camden Snow Bowl.

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

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

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

expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. These reconciliations are presented on the page immediately following each governmental fund financial statement.

The Town of Camden presents six columns in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances. The Town's major governmental funds are the general fund, sewer operation, Charles Wood fund, Mountain View Cemetery and RMRA Redevelopment. All other funds are shown as nonmajor and are combined in the "Other Governmental Funds" column on these statements.

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

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

Fiduciary Funds: These funds are used to account for resources held for the benefit of parties outside the Town of Camden. These funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the Town's own programs. The accounting used for fiduciary funds are much like that of proprietary funds. They use the accrual basis of accounting.

Notes to the Financial Statements

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

Required Supplementary Information

The basic financial statements are followed by a section of required supplementary information, which includes a Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund, a Schedule of Proportionate Share of the Net Pension Liability, a Schedule of Contributions - Pensions, a Schedule of Proportionate Share of the Net OPEB Liability - Group Life, a Schedule of Changes in Net OPEB Liability - Health Plan, a Schedule of Changes in Net OPEB Liability and

Related Ratios - Health Plan, a Schedule of Contributions - OPEB Group Life and Health Plan and Notes to Required Supplementary Information.

Other Supplementary Information

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

Government-Wide Financial Analysis

Our analysis below focuses on the net position, and changes in net position of the Town's governmental activities. The Town's total net position for governmental funds is \$17,253,168 compared to \$16,144,142 in the prior year, an increase of \$1,109,026. For the business-type activities, total net position is \$4,255,418 compared to \$4,487,643 in the prior year, a decrease of \$232,225.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements - is \$4,718,646 at the end of this year for governmental activities and a deficit of \$188,888 for the business-type activities.

Table 1
Town of Camden, Maine
Net Position
June 30,

	Governmental Activities		Business-type Activities	
	2018	2017 (Restated)	2018	2017 (Restated)
Assets:				
Current Assets	\$ 12,388,965	\$ 9,969,337	\$ 80,723	\$ 368,180
Capital Assets	12,624,015	13,268,147	4,599,118	4,786,675
Total Assets	25,012,980	23,237,484	4,679,841	5,154,855
Deferred Outflows of Resources:				
Deferred Outflows Related to OPEB	56,298	-	-	-
Deferred Outflows Related to Pensions	1,015,999	1,462,571	-	-
Total Deferred Outflows of Resources	1,072,297	1,462,571	-	-
Liabilities:				
Current Liabilities	1,278,756	821,029	285,509	512,300
Long-term Debt Outstanding	6,536,622	7,221,332	138,814	154,812
Total Liabilities	7,815,378	8,042,361	424,323	667,112
Deferred Inflows of Resources:				
Prepaid Taxes	211,413	1,508	-	-
Deferred Revenue	-	-	100	100
Deferred Inflows Related to OPEB	19,577	-	-	-
Deferred Inflows Related to Pensions	785,741	512,044	-	-
Total Deferred Inflows of Resources	1,016,731	513,552	100	100
Net Position:				
Net Investment in Capital Assets	7,981,594	8,474,046	4,444,306	4,597,246
Restricted	4,552,928	4,488,887	-	-
Unrestricted (Deficit)	4,718,646	3,181,209	(188,888)	(109,603)
Total Net Position	\$ 17,253,168	\$ 16,144,142	\$ 4,255,418	\$ 4,487,643

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

	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>2018</u>	<u>2017 (Restated)</u>	<u>2018</u>	<u>2017 (Restated)</u>
Revenues				
<i>Program Revenues:</i>				
Charges for services	\$ 2,002,817	\$ 1,861,954	\$ 842,965	\$ 848,484
Operating grants and contributions	14,937	8,343	-	-
<i>General Revenues:</i>				
Taxes	19,446,932	18,461,973	-	-
Grants and contributions not restricted to specific programs	395,193	401,945	-	-
Investment income	150,498	576,359	2,122	564
Miscellaneous	472,520	1,147,311	55,716	59,222
Total Revenues	<u>22,538,117</u>	<u>22,512,349</u>	<u>900,803</u>	<u>908,270</u>
Expenses				
General government	1,985,236	2,063,206	-	-
Public safety	2,185,678	2,046,278	-	-
Public services	1,562,405	1,253,940	-	-
Health and welfare	5,404	21,214	-	-
Leisure services	1,028,353	1,018,257	-	-
Cemeteries	86,728	38,587	-	-
Education	10,810,263	10,513,130	-	-
County tax	1,284,567	1,196,237	-	-
Capital outlay	408,413	66,634	-	-
Interest on long-term debt	140,700	163,252	-	-
MCSWC assesment	215,645	208,973	-	-
Unclassified	1,715,699	1,843,140	-	-
Camden Snow Bowl	-	-	1,133,028	1,053,869
Total Expenses	<u>21,429,091</u>	<u>20,432,848</u>	<u>1,133,028</u>	<u>1,053,869</u>
Transfers	-	(297,303)	-	297,303
Change in Net Position	1,109,026	1,782,198	(232,225)	151,704
Net Position - July 1	<u>16,144,142</u>	<u>14,361,944</u>	<u>4,487,643</u>	<u>4,335,939</u>
Net Position - June 30	<u>\$ 17,253,168</u>	<u>\$ 16,144,142</u>	<u>\$ 4,255,418</u>	<u>\$ 4,487,643</u>

Revenues and Expenses

Revenues for the Town's governmental activities increased by 0.11%, while total expenses increased by 4.88%.

Revenues for the Town's business-type activities decreased by 0.82%, while total expenses increased by 7.51%.

Financial Analysis of the Town's Fund Statements

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

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

	2018	2017 (Restated)
General Fund:		
Nonspendable	\$ 49,654	\$ 30,808
Restricted	-	19,000
Assigned	824,615	121,998
Unassigned	3,919,116	3,106,193
Total General Fund	\$ 4,793,385	\$ 3,277,999
Sewer Operation:		
Assigned	\$ 860,454	\$ 717,405
Total Sewer Operation	\$ 860,454	\$ 717,405
Charles Wood Fund:		
Restricted	\$ 2,048,106	\$ 2,053,426
Total Charles Wood Fund	\$ 2,048,106	\$ 2,053,426
Mountain View Cemetery:		
Restricted	\$ 1,162,623	\$ 1,190,347
Total Mountain View Cemetery	\$ 1,162,623	\$ 1,190,347
RMRA Redevelopment:		
Assigned	\$ -	\$ 20,868
Total RMRA Redevelopment	\$ -	\$ 20,868
Nonmajor Funds:		
Special Revenue Funds:		
Committed	\$ 529,636	\$ 392,319
Unassigned	(398,414)	(352,110)
Capital Projects Funds:		
Committed	877,549	801,070
Unassigned	(7,451)	(2,752)
Permanent Funds:		
Nonspendable	146,156	-
Restricted	1,196,043	1,266,987
Total Nonmajor Funds	\$ 2,343,519	\$ 2,105,514

The general fund total fund balance increased by \$1,515,386 from the prior fiscal year mainly as a result of actual expenditures that were significantly under budget. The sewer operation total fund balance increased by \$143,049 from the prior fiscal year as a result of revenues exceeding expenditures. The Charles Wood fund total fund balance decreased by \$5,320 from the prior fiscal year as a result of fund expenditures. The Mountain View Cemetery total fund balance decreased by \$27,724 from the prior fiscal year as a result of expenditures in excess of revenue. The RMRA Redevelopment total fund balance decreased by \$20,868 from the prior fiscal year as a result of a transfer to the General Fund. The nonmajor fund balances increased by \$238,005 from the prior fiscal year mainly as a result of increases in the special revenues, capital projects and permanent funds.

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

The Camden Snow Bowl fund had a reduction in net position of \$232,225 from the prior year.

Budgetary Highlights

The differences between the original and final budget for the general fund was the use of assigned fund balance.

The general fund actual revenues exceeded the budget by \$279,048. This was a result of all revenue categories being receipted in excess of budgeted amounts with the exception of use of reserves.

The general fund actual expenditures were under budget by \$1,359,150. All expenditure categories were within or under budget with the exception of health and welfare and principal on debt service.

Capital Asset and Debt Administration

Capital Assets

As of June 30, 2018, the net book value of capital assets recorded by the Town decreased by \$831,689 when compared to the prior year. This decrease is a result of capital additions of \$42,506 less current year depreciation expense of \$874,195. Refer to Note 4 of Notes to Financial Statements for additional information.

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

	2018	2017
Land	\$ 1,436,384	\$ 1,436,384
Construction in progress	1,439,520	1,439,520
Land improvements	3,197,956	3,339,516
Buildings and improvements	3,693,559	3,837,927
Machinery, equipment and vehicles	3,846,875	4,222,660
Infrastructure	3,608,839	3,778,815
Total	\$ 17,223,133	\$ 18,054,822

Debt

At June 30, 2018, the Town had \$4,343,366 in bonds outstanding versus \$4,342,191 last year. Other obligations include capital leases payable, accrued compensated absences, net OPEB liability and net pension liability. Refer to Note 5 of Notes to Financial Statements for more detailed information.

Economic Factors and Next Year's Budgets and Rates

The Town's unassigned fund balance is at a level to sustain government operations for a period of approximately two months. However, the Town also maintains significant reserve accounts for future capital and program needs.

Contacting the Town's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town Finance Department at 29 Elm Street, Camden, Maine 04843.

STATEMENT A

TOWN OF CAMDEN, MAINE

STATEMENT OF NET POSITION
JUNE 30, 2018

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 6,662,504	\$ 80,723	\$ 6,743,227
Investments	4,113,648	-	4,113,648
Accounts receivable (net of allowance for uncollectibles):			
Taxes/liens	912,433	-	912,433
Other	387,284	-	387,284
Due from other governments	20,197	-	20,197
Prepaid items	14,320	-	14,320
Inventory	8,526	-	8,526
Tax acquired property	26,808	-	26,808
Internal balances	243,245	(243,245)	-
Total current assets	12,388,965	(162,522)	12,226,443
Noncurrent assets:			
Capital assets:			
Land and other assets not being depreciated	2,715,904	160,000	2,875,904
Buildings and vehicles net of accumulated depreciation	9,908,111	4,439,118	14,347,229
Total noncurrent assets	12,624,015	4,599,118	17,223,133
TOTAL ASSETS	25,012,980	4,436,596	29,449,576
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to OPEB	56,298	-	56,298
Deferred outflows related to pensions	1,015,999	-	1,015,999
TOTAL DEFERRED OUTFLOWS OF RESOURCES	1,072,297	-	1,072,297
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 26,085,277	\$ 4,436,596	\$ 30,521,873
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 395,635	\$ 686	\$ 396,321
Accrued payroll	75,710	-	75,710
Accrued expenses	137,228	-	137,228
Due to other governments	29,012	-	29,012
Current portion of long-term obligations	641,171	41,578	682,749
Total current liabilities	1,278,756	42,264	1,321,020
Noncurrent liabilities			
Noncurrent portion of long-term obligations:			
Bonds payable	3,934,015	-	3,934,015
Capital leases payable	146,664	118,350	265,014
Accrued compensated absences	317,715	20,464	338,179
Net OPEB liability	466,918	-	466,918
Net pension liability	1,671,310	-	1,671,310
Total noncurrent liabilities	6,536,622	138,814	6,675,436
TOTAL LIABILITIES	7,815,378	181,078	7,996,456
DEFERRED INFLOWS OF RESOURCES			
Prepaid taxes	211,413	-	211,413
Deferred revenue	-	100	100
Deferred inflows related to OPEB	19,577	-	19,577
Deferred inflows related to pensions	785,741	-	785,741
TOTAL DEFERRED INFLOWS OF RESOURCES	1,016,731	100	1,016,831
NET POSITION			
Net investment in capital assets	7,981,594	4,444,306	12,425,900
Restricted	4,552,928	-	4,552,928
Unrestricted (deficit)	4,718,646	(188,888)	4,529,758
TOTAL NET POSITION	17,253,168	4,255,418	21,508,586
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 26,085,277	\$ 4,436,596	\$ 30,521,873

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

STATEMENT B

TOWN OF CAMDEN, MAINE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue & Changes in Net Position		
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Business- type Activities	Total
<u>Governmental activities:</u>							
General government	\$ 1,985,236	\$ 295,477	\$ -	\$ -	\$ (1,689,759)	\$ -	\$ (1,689,759)
Public safety	2,185,678	84,728	-	-	(2,100,950)	-	(2,100,950)
Public services	1,562,405	-	-	55,220	(1,507,185)	-	(1,507,185)
Health and welfare	5,404	-	14,937	-	9,533	-	9,533
Leisure services	1,028,353	358,727	-	-	(669,626)	-	(669,626)
Cemeteries	86,728	50,000	-	-	(36,728)	-	(36,728)
Education	10,810,263	-	-	-	(10,810,263)	-	(10,810,263)
County tax	1,284,567	-	-	-	(1,284,567)	-	(1,284,567)
Capital outlay	408,413	-	-	-	(408,413)	-	(408,413)
Interest on long-term debt	140,700	-	-	-	(140,700)	-	(140,700)
MCSWC assesment	215,645	-	-	-	(215,645)	-	(215,645)
Unclassified	1,715,699	1,213,885	-	-	(501,814)	-	(501,814)
Total governmental activities	<u>21,429,091</u>	<u>2,002,817</u>	<u>14,937</u>	<u>55,220</u>	<u>(19,356,117)</u>	<u>-</u>	<u>(19,356,117)</u>
<u>Business-type activities:</u>							
Camden Snow Bowl	1,133,028	842,965	-	-	-	(290,063)	(290,063)
Total business-type activities	<u>1,133,028</u>	<u>842,965</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(290,063)</u>	<u>(290,063)</u>
Total government	<u>\$ 22,562,119</u>	<u>\$ 2,845,782</u>	<u>\$ 14,937</u>	<u>\$ 55,220</u>	<u>(19,356,117)</u>	<u>(290,063)</u>	<u>(19,646,180)</u>

STATEMENT B (CONTINUED)
TOWN OF CAMDEN, MAINE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

	Governmental Activities	Business- type Activities	Total
Changes in net position:			
Net (expense) revenue	(19,356,117)	(290,063)	(19,646,180)
General revenues:			
Taxes:			
Property taxes, levied for general purposes	18,362,250	-	18,362,250
Excise taxes	1,084,682	-	1,084,682
Grants and contributions not restricted to specific programs	395,193	-	395,193
Investment income, net of unrealized gains/(losses)	150,498	2,122	152,620
Miscellaneous	472,520	55,716	528,236
Total general revenues and transfers	20,465,143	57,838	20,522,981
Change in net position	1,109,026	(232,225)	876,801
NET POSITION - JULY 1, RESTATED	16,144,142	4,487,643	20,631,785
NET POSITION - JUNE 30	\$ 17,253,168	\$ 4,255,418	\$ 21,508,586

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

STATEMENT C

TOWN OF CAMDEN, MAINE

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2018

	General Fund	Sewer Operation	Charles Wood Fund	Mountain View Cemetery	RMRA Redevelopment	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 5,993,422	\$ 71,661	\$ 89,975	\$ 42,816	\$ -	\$ 464,630	\$ 6,662,504
Investments	-	-	2,123,876	1,238,208	-	751,564	4,113,648
Accounts receivables (net of allowance for uncollectibles):							
Taxes/liens	912,433	-	-	-	-	-	912,433
Other	39,031	347,871	382	-	-	-	387,284
Due from other governments	20,197	-	-	-	-	-	20,197
Prepaid items	14,320	-	-	-	-	-	14,320
Inventory	8,526	-	-	-	-	-	8,526
Tax acquired property	26,808	-	-	-	-	-	26,808
Due from other funds	981,503	486,842	-	-	-	1,581,591	3,049,936
TOTAL ASSETS	\$ 7,996,240	\$ 906,374	\$ 2,214,233	\$ 1,281,024	\$ -	\$ 2,797,785	\$ 15,195,656
LIABILITIES							
Accounts payable	\$ 355,494	\$ 39,605	\$ 439	\$ -	\$ -	\$ 97	\$ 395,635
Accrued payroll	69,395	6,315	-	-	-	-	75,710
Accrued expenses	137,228	-	-	-	-	-	137,228
Due to other governments	29,012	-	-	-	-	-	29,012
Due to other funds	2,068,433	-	165,688	118,401	-	454,169	2,806,691
TOTAL LIABILITIES	2,659,562	45,920	166,127	118,401	-	454,266	3,444,276
DEFERRED INFLOWS OF RESOURCES							
Prepaid taxes	211,413	-	-	-	-	-	211,413
Deferred tax revenues	331,880	-	-	-	-	-	331,880
TOTAL DEFERRED INFLOWS OF RESOURCES	543,293	-	-	-	-	-	543,293
FUND BALANCES (DEFICITS)							
Nonspendable	49,654	-	-	-	-	146,156	195,810
Restricted	-	-	2,048,106	1,162,623	-	1,196,043	4,406,772
Committed	-	-	-	-	-	1,407,185	1,407,185
Assigned	824,615	860,454	-	-	-	-	1,685,069
Unassigned	3,919,116	-	-	-	-	(405,865)	3,513,251
TOTAL FUND BALANCES (DEFICITS)	4,793,385	860,454	2,048,106	1,162,623	-	2,343,519	11,208,087
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)	\$ 7,996,240	\$ 906,374	\$ 2,214,233	\$ 1,281,024	\$ -	\$ 2,797,785	\$ 15,195,656

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

TOWN OF CAMDEN, MAINE

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2018

	<u>Total Governmental Funds</u>
Total Fund Balances	\$ 11,208,087
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation	12,624,015
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds shown above:	
Taxes and liens receivable	331,880
Deferred outflows of resources related to pensions and OPEB are not financial resources and therefore are not reported in the funds	1,072,297
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Bonds payable	(4,343,366)
Capital leases payable	(299,055)
Accrued compensated absences	(397,144)
Net OPEB liability	(466,918)
Net pension liability	(1,671,310)
Deferred inflows of resources related to pensions and OPEB are not financial resources and therefore are not reported in the funds	<u>(805,318)</u>
Net position of governmental activities	<u>\$ 17,253,168</u>

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

STATEMENT E

TOWN OF CAMDEN, MAINE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	General Fund	Sewer Operation	Charles Wood Fund	Mountain View Cemetery	RMRA Redevelopment	Other Governmental Funds	Total Governmental Funds
REVENUES							
General tax revenue	\$ 19,512,082	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,512,082
Intergovernmental revenue	449,542	-	-	-	-	15,808	465,350
License and permits	193,552	-	-	-	-	-	193,552
Charges for services	595,380	1,194,985	-	18,900	-	-	1,809,265
Investment income, net of unrealized gains/(losses)	54,733	1,498	-	-	-	94,267	150,498
Other revenue	167,118	60	-	40,104	-	265,238	472,520
TOTAL REVENUES	20,972,407	1,196,543	-	59,004	-	375,313	22,603,267
EXPENDITURES							
Current:							
General government	1,686,086	-	-	-	-	-	1,686,086
Public safety	2,086,296	-	-	-	-	-	2,086,296
Public services	1,378,284	-	-	-	-	-	1,378,284
Health and welfare	5,404	-	-	-	-	-	5,404
Leisure services	958,715	-	-	-	-	-	958,715
Cemeteries	86,728	-	-	-	-	-	86,728
Education	10,810,263	-	-	-	-	-	10,810,263
County tax	1,284,567	-	-	-	-	-	1,284,567
Debt service:							
Principal	557,592	-	-	-	-	-	557,592
Interest	140,700	-	-	-	-	-	140,700
Capital improvements	281,455	126,958	-	-	-	-	408,413
MCSWC assesment	215,645	-	-	-	-	-	215,645
Unclassified	95,813	926,536	5,320	86,728	-	442,494	1,556,891
TOTAL EXPENDITURES	19,587,548	1,053,494	5,320	86,728	-	442,494	21,175,584
EXCESS REVENUES OVER (UNDER) EXPENDITURES	1,384,859	143,049	(5,320)	(27,724)	-	(67,181)	1,427,683
OTHER FINANCING SOURCES (USES)							
Bond proceeds	408,000	-	-	-	-	-	408,000
Lease proceeds	6,845	-	-	-	-	-	6,845
Transfers in	38,868	-	-	-	-	323,186	362,054
Transfers (out)	(323,186)	-	-	-	(20,868)	(18,000)	(362,054)
TOTAL OTHER FINANCING SOURCES (USES)	130,527	-	-	-	(20,868)	305,186	414,845
NET CHANGE IN FUND BALANCES (DEFICITS)	1,515,386	143,049	(5,320)	(27,724)	(20,868)	238,005	1,842,528
FUND BALANCES (DEFICITS) - JULY 1, RESTATED	3,277,999	717,405	2,053,426	1,190,347	20,868	2,105,514	9,365,559
FUND BALANCES (DEFICITS) - JUNE 30	\$ 4,793,385	\$ 860,454	\$ 2,048,106	\$ 1,162,623	\$ -	\$ 2,343,519	\$ 11,208,087

See accompanying independent auditors' report and notes to 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, 2018

Net change in fund balances - total governmental funds (Statement E)	<u>\$ 1,842,528</u>
Amounts reported for governmental activities in the Statement of Activities (Statement B) are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense allocated to those expenditures over the life of the assets:	
Depreciation expense	<u>(644,132)</u>
Deferred outflows of resources are a consumption of net position by the government that are applicable to a future reporting period and therefore are not reported in the funds	
	<u>(390,274)</u>
Revenues in the Statement of Activities that do not provide current financial resources are not reported	
Taxes and liens receivable	<u>(65,150)</u>
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position	
	<u>(414,845)</u>
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position	
	<u>566,525</u>
Deferred inflows of resources are an acquisition of net position by the government that are applicable to a future reporting period and therefore are not reported in the funds	
	<u>(293,274)</u>
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:	
Accrued compensated absences	(96,203)
Net OPEB liability	(62,519)
Net pension liability	<u>666,370</u>
	<u>507,648</u>
Change in net position of governmental activities (Statement B)	<u><u>\$ 1,109,026</u></u>

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

TOWN OF CAMDEN, MAINE

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2018

	<u>Enterprise Fund</u>
	Camden
	Snow
	<u>Bowl</u>
OPERATING REVENUES	
Lodge rental	\$ 10,095
Lift tickets	546,800
Toboggan and tube income	72,002
Lesson and racing fees	124,643
Rental income	80,143
Food and merchandise	9,282
Other	55,716
TOTAL OPERATING REVENUES	<u>898,681</u>
OPERATING EXPENSES	
Administration	212,603
Lodge	40,909
Alpine	573,302
Toboggan Nationals	29,139
Snow Bowl reserves	47,012
Depreciation	230,063
TOTAL OPERATING EXPENSES	<u>1,133,028</u>
OPERATING INCOME (LOSS)	<u>(234,347)</u>
NONOPERATING REVENUES (EXPENSES)	
Interest income	2,122
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>2,122</u>
CHANGE IN NET POSITION	(232,225)
NET POSITION - JULY 1, RESTATED	<u>4,487,643</u>
NET POSITION - JUNE 30	<u>\$ 4,255,418</u>

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

TOWN OF CAMDEN, MAINE

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	<u>Enterprise Fund</u> <u>Camden Snow</u> <u>Bowl</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	\$ 842,965
Other receipts	55,716
Internal activity - receipts (payments) from/to other funds	88,615
Payments to employees	(205,569)
Payments to suppliers	(694,184)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>87,543</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest income	2,122
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>2,122</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Principal payments on debt	(34,617)
(Purchase) sale of capital assets	(42,506)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(77,123)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	12,542
CASH AND CASH EQUIVALENTS - JULY 1	<u>68,181</u>
CASH AND CASH EQUIVALENTS - JUNE 30	<u>\$ 80,723</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:	
Operating income (loss)	\$ (234,347)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation and amortization expense	230,063
Changes in operating assets, deferred outflows of resources, liabilities and deferred inflows of resources:	
(Decrease) increase in accounts payable	(3,822)
(Decrease) increase in due to other funds	88,615
(Decrease) increase in compensated absences	7,034
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 87,543</u>

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

TOWN OF CAMDEN, MAINE

STATEMENT OF NET POSITION - FIDUCIARY FUNDS
JUNE 30, 2018

	<u>Agency Funds</u>
ASSETS	
Cash and cash equivalents	\$ 274
Investments	1,912
Accounts receivables (net of allowance for uncollectibles)	<u>29,357</u>
TOTAL ASSETS	<u><u>\$ 31,543</u></u>
LIABILITIES	
Due to other governments	\$ 20,197
Deposits held for others	<u>11,346</u>
TOTAL LIABILITIES	<u><u>\$ 31,543</u></u>

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

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Town of Camden was incorporated under the laws of the State of Maine. The Town operates under Town selectmen-manager form of government and provides the following services: general government, public safety, public services, health and welfare, leisure services, cemeteries, education and unclassified.

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

The Town's combined financial statements include all accounts and all operations of the Town. We have determined that the Town has no component units as described in GASB Statement No. 14 and amended by GASB Statements No. 39 and No. 61.

Implementation of New Accounting Standards

During the year ended June 30, 2018, the following statements of financial accounting standards issued by the Governmental Accounting Standards Board became effective:

Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other than Pensions.*" The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. Management has determined the impact of this Statement is not material to the financial statements.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Statement No. 81, "*Irrevocable Split-Interest Agreements*". The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. Split-interest agreements are a type of giving agreement used by donors to provide resources to two or more beneficiaries, including governments. Split-interest agreements can be created through trusts or other legally enforceable agreements with characteristics that are equivalent to split-interest agreements in which a donor transfers resources to an intermediary to hold and administer for the benefit of a government and at least one other beneficiary. Examples of these types of agreements include charitable lead trusts, charitable remainder trusts, and life-interests in real estate. As such, this Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 85, "*Omnibus 2017*." The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 86, "*Certain Debt Extinguishment Issues*." The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources - resources other than the proceeds of refunding debt - are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. Management has determined the impact of this Statement is not material to the financial statements.

Government-Wide and Fund Financial Statements

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

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Town's Camden Snow Bowl fund is categorized as a business-type activity. All other activities of the Town are categorized as governmental.

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

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

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

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

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

Measurement Focus - Basic Financial Statements & Fund Financial Statements

The financial transactions of the Town are reported in the individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements. The following fund types are used by the Town:

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1. Governmental Funds:

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

Major Funds

- a. The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. The Sewer Operation Fund is used to account for sewer fees that are used for purposes related to the sewer.
- c. The Charles Wood Fund is used to account for assets held by the Town that are legally restricted pursuant to Title 30-A, §5653 of the Maine State Statutes, as amended, and unless otherwise specified, only earnings, and not principal, may be used for purposes that benefit the Town or its citizenry. The Town's policy for authorizing and spending investment income follows State statutes.
- d. The Mountain View Cemetery Fund is used to account for assets held by the Town that are legally restricted pursuant to Title 30-A, §5653 of the Maine State Statutes, as amended, and unless otherwise specified, only earnings, and not principal, may be used for purposes that benefit the Town or its citizenry. The Town's policy for authorizing and spending investment income follows State statutes.
- e. The RMRA Redevelopment Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities or equipment related to Ragged Mountain.

Nonmajor Funds

- f. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

2. Proprietary Funds:

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

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

3. Fiduciary Funds:

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support Town programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds. Component units that are fiduciary in nature have been excluded from these financial statements.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Town's fiduciary funds are presented in the fiduciary fund financial statements by type (agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide financial statements.

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

Basis of Accounting

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

1. Accrual

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

2. Modified Accrual

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

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budget

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

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

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

Deposits and Investments

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

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

- Obligations of the U.S. Government, its agencies and instrumentalities
- Certificates of deposits and other evidences of deposits at banks, savings and loan associations
- Prime bankers' acceptances
- Prime commercial papers
- Repurchase agreements whose underlying collateral consist of the foregoing
- Money market mutual funds whose portfolios consist of the foregoing

It is the policy of the Town of Camden, Maine to invest public funds in a manner in which will provide safety of principal with a market rate of return while meeting the daily cash flow demands of the Town and conforming to all state and local statutes governing the investment of public funds.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Receivables

Receivables include amounts due from governmental agencies, local businesses and sewer receivables. All receivables are current and therefore due within one year. Receivables are reported net of an allowance for uncollectible accounts and revenues net of uncollectibles. Allowances are reported when accounts are proven to be uncollectible. Allowances for uncollectible accounts netted with accounts receivable were \$436,838 for the year ended June 30, 2018. The allowance for uncollectible accounts is estimated to be \$2,676 as of June 30, 2018.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Inventory

Inventories consist of expendable supplies held for consumption and are valued at cost using the first-in, first-out (FIFO) method. Under the consumption method, the costs of inventory items are recognized as expenditures when used. The general fund inventory consists of operational supplies on hand at the end of the year.

Interfund Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Any residual balances outstanding between governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances".

Transactions Between Funds

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

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

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

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

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

Estimated useful lives are as follows:

Buildings	20 - 50 years
Infrastructure	50 - 100 years
Machinery and equipment	3 - 50 years
Vehicles	3 - 25 years

Long-term Obligations

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

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in government-wide statements. The long-term debt consists primarily of bonds payable, capital leases payable, accrued compensated absences, net OPEB liability and net pension liability.

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

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

The Town's policies regarding vacation and sick time do permit employees to accumulate earned but unused vacation and sick leave. The liability for these compensated absences is recorded as long-term debt in the government-wide financial statements. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources, while the proprietary funds report the liability as it is incurred. As of June 30, 2018, the Town's liability for compensated absences is \$422,724.

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 Participating Local District (PLD) Consolidated Plan and additions to/deductions from the PLD Consolidated Plan's fiduciary net position have been determined on the same basis as they are reported by the PLD Consolidated 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.

Other Postemployment Benefits (OPEB)

For purposes of measuring the District's net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Maine Public Employees Retirement System OPEB Plan (the 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, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, management received and relied on an actuarial report provided to them by the Maine Municipal Employees Health Trust (MMEHT), which determined the Town's fiduciary net position as a single employer defined benefit plan based on information provided solely by MMEHT to complete the actuarial report. Additions to/deductions from the MMEHT OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by MMEHT. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position

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

Fund Balance

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

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

Restricted – This includes amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

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

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

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet will at times report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town has two types of these items - deferred outflows related to OPEB and deferred outflows related to pensions. These items are reported in the statement of net position.

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

Revenue Recognition - Property Taxes - Modified Accrual Basis

The Town's property tax for the current year was levied August 28, 2017 on the assessed value listed as of April 1, 2017, for all real and personal property located in the Town. Taxes were due in two installments on October 16, 2017 and May 1, 2018.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interest on unpaid taxes commenced on October 17, 2017 and May 2, 2018, at 7% per annum.

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

The Town is permitted by the laws of the State of Maine to levy taxes up to 105% of its net budgeted expenditures for the related fiscal period. The amount raised in excess of 100% is referred to as overlay and amounted to \$160,065 for the year ended June 30, 2018.

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

Program Revenues

Program revenues include all directly related income items applicable to a particular program (charges to customers or applicants for goods, services, or privileges provided; operating or capital grants and contributions, including special assessments).

Operating/Nonoperating Proprietary Fund Revenues

Operating revenues consist mainly of direct revenue sources and/or charges for services applicable to that fund's ongoing operations. All revenue and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Encumbrance Accounting

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

Use of Estimates

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

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 2 - DEPOSITS AND INVESTMENTS

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

Deposits:

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the Town will not be able to recover its deposits. The Town does not have a policy covering custodial credit risk for deposits. However, the Town maintains deposits in qualifying financial institutions that are a member of the FDIC or NCUSIF as defined in Title 30-A, Section 5706 of the Maine Revised Statutes. At June 30, 2018, the Town's cash balance of \$6,743,501 was comprised of bank deposits amounting to \$6,938,111. Of these bank deposits, \$250,000 was insured by federal depository insurance and consequently was not exposed to custodial credit risk, \$142,244 was covered by the Securities Investor Protection Corporation (SIPC) and \$6,545,867 was collateralized with securities held by the financial institution in the Town's name.

<u>Account Type</u>	<u>Bank Balance</u>
Checking accounts	\$ 6,795,867
Cash and cash equivalents	142,244
	<u>\$ 6,938,111</u>

Investments:

Custodial credit risk for investments is that, in the event of failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Currently, the Town does not have a policy for custodial credit risk for investments. However, in accordance with its investment policy, the Town seeks to minimize custodial credit risk by doing business with authorized institutions, depositories and broker/dealers.

Of the Town's investments of \$4,115,560, \$1,912 was fully covered by federal depository insurance and consequently was not exposed to custodial credit risk, and \$250,000 was covered by the Securities Investor Protection Corporation (SIPC). The remaining investments of \$3,863,648 were uncollateralized and uninsured.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

At June 30, 2018, the Town had the following investments and maturities:

Investment Type	Fair Value	N/A	< 1 Year	1 - 5 Years	> 5 Years
Debt securities:					
Corporate bonds	\$ 1,278,086	\$ -	\$ 249,476	\$ 738,469	\$ 290,141
Equity securities:					
Mutual funds:					
Equities	2,424,740	2,424,740	-	-	-
Real estate investment trusts	86,502	86,502	-	-	-
Exchange traded funds	324,320	324,320	-	-	-
Certificates of deposit	1,912	-	-	1,912	-
	<u>\$ 4,115,560</u>	<u>\$ 2,835,562</u>	<u>\$ 249,476</u>	<u>\$ 740,381</u>	<u>\$ 290,141</u>

Fair Value Hierarchy

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Town has the following recurring fair value measurements as June 30, 2018:

	June 30, 2018 Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level I)	Significant Other Observable Inputs (Level II)	Significant Unobservable Inputs (Level III)
<u>Investments by fair value level</u>				
Debt securities:				
Corporate bonds	\$ 1,278,086	\$ -	\$ 1,278,086	\$ -
Total debt securities	<u>1,278,086</u>	<u>-</u>	<u>1,278,086</u>	<u>-</u>
Equity securities:				
Mutual funds and exchange traded funds	2,749,060	2,749,060	-	-
Real estate investment trusts	86,502	86,502	-	-
Total equity securities	<u>2,835,562</u>	<u>2,835,562</u>	<u>-</u>	<u>-</u>
Total investments by fair value level	<u>4,113,648</u>	<u>\$ 2,835,562</u>	<u>\$ 1,278,086</u>	<u>\$ -</u>
<u>Cash equivalents measured at the net asset value (NAV)</u>				
Money market mutual funds	142,244			
Total cash equivalents measured at the NAV	<u>142,244</u>			
Total investments and cash equivalents measured at fair value	<u>\$ 4,255,892</u>			

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

Equity securities classified in Level I of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued from publicly reliable sources or using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The Town has no Level 3 investments. The fair value of money market mutual funds that are measured at NAV per share (or its equivalent) is calculated as of June 30, 2018 in a manner consistent with the Financial Accounting Standards Board's measurement principles for investment companies. Certificates of deposit held with local financial institutions for \$1,912 are excluded from the hierarchy as these investments are considered held to maturity and are therefore not measured at fair value.

Credit risk – Statutes for the State of Maine authorize the Town to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other states and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Maine, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. The Town does not have an investment policy on credit risk. Generally, the Town invests excess funds in repurchase agreements, savings accounts and various insured certificates of deposit. Certain long-term trust funds are invested through a financial institution with trust powers in a mix of securities that comply with state and federal regulations to provide long-term growth and income. As of June 30, 2018, the Town's investments in corporate bonds were rated AA (\$97,609), A+ (\$241,822), A (\$273,112), A- (\$147,668), BBB+ (\$420,750), and BB- (\$97,125) by Standard & Poor's Rating Service.

Interest rate risk – is the risk that changes in interest rates will adversely affect the fair value of an investment. The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from fluctuations in interest rates.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at June 30, 2018 consisted of the following individual fund receivables and payables.

	Receivables (Due from)	Payables (Due to)
General fund	\$ 981,503	\$ 2,068,433
Sewer operations	486,842	-
Charles Wood fund	-	165,688
Mountain View Cemetery	-	118,401
Nonmajor special revenue funds	521,040	398,317
Nonmajor capital projects funds	877,549	7,451
Nonmajor permanent funds	183,002	48,401
Proprietary funds	-	243,245
	<u>\$ 3,049,936</u>	<u>\$ 3,049,936</u>

NOTE 4 - CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended June 30, 2018:

	Balance, 7/1/17	Additions	Disposals	Balance, 6/30/18
<u>Governmental activities</u>				
Non-depreciated assets:				
Land	\$ 1,276,384	\$ -	\$ -	\$ 1,276,384
Construction in progress	1,439,520	-	-	1,439,520
	<u>2,715,904</u>	<u>-</u>	<u>-</u>	<u>2,715,904</u>
Depreciated assets:				
Land improvements	2,477,707	-	-	2,477,707
Buildings and improvements	7,240,761	-	-	7,240,761
Machinery, equipment and vehicles	4,726,557	-	-	4,726,557
Infrastructure	5,361,023	-	-	5,361,023
	19,806,048	-	-	19,806,048
Less: accumulated depreciation	(9,253,805)	(644,132)	-	(9,897,937)
	<u>10,552,243</u>	<u>(644,132)</u>	<u>-</u>	<u>9,908,111</u>
Net capital assets	<u>\$ 13,268,147</u>	<u>\$ (644,132)</u>	<u>\$ -</u>	<u>\$ 12,624,015</u>

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 4 - CAPITAL ASSETS (CONTINUED)

	Balance, 7/1/17	Additions	Disposals	Balance, 6/30/18
<u>Business-type activities</u>				
Non-depreciated assets:				
Land	\$ 160,000	\$ -	\$ -	\$ 160,000
	<u>160,000</u>	<u>-</u>	<u>-</u>	<u>160,000</u>
Depreciated assets:				
Land improvements	1,814,298	-	-	1,814,298
Buildings and improvements	179,777	-	-	179,777
Machinery, equipment and vehicles	3,474,515	42,506	-	3,517,021
	<u>5,468,590</u>	<u>42,506</u>	<u>-</u>	<u>5,511,096</u>
Less: accumulated depreciation	<u>(841,915)</u>	<u>(230,063)</u>	<u>-</u>	<u>(1,071,978)</u>
	<u>4,626,675</u>	<u>(187,557)</u>	<u>-</u>	<u>4,439,118</u>
Net capital assets	<u>\$ 4,786,675</u>	<u>\$ (187,557)</u>	<u>\$ -</u>	<u>\$ 4,599,118</u>
 <u>Current year depreciation expense:</u>				
General government				\$ 132,183
Public safety				99,382
Public works				184,121
Leisure services				69,638
Wastewater				158,808
Subtotal governmental				<u>644,132</u>
Camden Snowbowl				<u>230,063</u>
Subtotal business-type				<u>230,063</u>
Total depreciation expense				<u>\$ 874,195</u>

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 5 - LONG-TERM DEBT

The following is a summary of changes in the long-term debt for the year ended June 30, 2018:

	Balance, 7/1/17 (Restated)	Additions	Deletions	Balance, 6/30/18	Due Within One Year
<u>Governmental Activities</u>					
Bonds payable	\$ 4,342,191	\$ 408,000	\$ (406,825)	\$ 4,343,366	\$ 409,351
Capital leases payable	451,910	6,845	(159,700)	299,055	152,391
Accrued compensated absences	300,941	96,203	-	397,144	79,429
Net OPEB liability	404,399	71,869	(9,350)	466,918	-
Net pension liability	2,337,680	-	(666,370)	1,671,310	-
Total Governmental Activities	<u>\$ 7,837,121</u>	<u>\$ 582,917</u>	<u>\$ (1,242,245)</u>	<u>\$ 7,177,793</u>	<u>\$ 641,171</u>
<u>Business-type Activities</u>					
Capital leases payable	\$ 189,429	\$ -	\$ (34,617)	\$ 154,812	\$ 36,462
Accrued compensated absences	18,546	7,034	-	25,580	5,116
Total Business-type Activities	<u>\$ 207,975</u>	<u>\$ 7,034</u>	<u>\$ (34,617)</u>	<u>\$ 180,392</u>	<u>\$ 41,578</u>

The following is a summary of the outstanding bonds payable:

	<u>Governmental Activities</u>
<u>Bonds</u>	
Library bond - \$350,000 2003 General obligation bond with interest rates from 2.085% - 4.285% per annum. Due in annual principal payments of \$23,334 plus interest. Maturity in November of 2018.	\$ 23,334
Public safety building - \$999,200 2003 General obligation bond with interest rates from 2.078% - 5.078% per annum. Due in annual principal payments of \$49,960 plus interest. Maturity in November of 2023.	299,760
Tannery building - \$ 836,000 2006 General obligation bond with interest rate of 3.79% per annum. Due in annual principal and interest payments of \$60,783. Maturity in August of 2025.	411,869

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 5 - LONG-TERM DEBT (CONTINUED)

Wastewater treatment plant - \$885,000 2007 General obligation bond with an interest rate of 1.33% per annum. Due in annual principal and interest payments of \$68,745. Maturity in April of 2022.	253,403
Wastewater Rawson Ave - \$660,000 2010 General obligation bond with an interest rate of 1.00% per annum. Due in annual principal payments of \$44,000 plus interest. Maturity in July of 2025.	352,000
\$2,550,000 2016 General obligation bond with interest rates from 3.00% - 3.50% per annum. Annual principal payments of \$135,000 plus interest through December of 2024. Thereafter annual principal payments of \$80,000 plus interest through December of 2039.	2,145,000
\$500,000 2016 General obligation bond with interest rates from 1.16% - 2.13% per annum. Annual principal payments of \$50,000 plus interest through November of 2026.	450,000
\$408,000 2018 General obligation bond with interest rates from 1.92% - 3.7250% per annum. Annual principal payments of \$27,200 plus interest through November of 2033.	408,000
	<u>\$ 4,343,366</u>

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

Governmental Activities

	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2019	\$ 409,351	\$ 118,362	\$ 527,713
2020	415,771	108,703	524,474
2021	418,367	100,375	518,742
2022	421,111	89,356	510,467
2023	358,434	78,041	436,475
2024-2028	1,197,132	254,345	1,451,477
2029-2033	536,000	144,118	680,118
2034-2038	427,200	63,007	490,207
2039-2043	160,000	5,600	165,600
	<u>\$ 4,343,366</u>	<u>\$ 961,907</u>	<u>\$ 5,305,273</u>

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 5 - LONG-TERM DEBT (CONTINUED)

All bonds payable are direct obligations of the Town, for which its full faith and credit are pledged. The Town is not obligated for any special assessment debt. All debt is payable from taxes levied on all taxable property within the Town.

The following is a summary of the outstanding capital leases payable:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
<u>Capital Leases</u>		
Fire truck - 2013 Capital lease payable to Oshkosh Capital for a fire truck, due in installments of \$67,198 through December of 2018. Interest is charged as a rate of 3.28% per annum.	\$ 65,064	\$ -
Sidewalk snowplow - 2013 Capital lease payable to Gorham Leasing for sidewalk plow. Due in annual installments of \$15,176 through November of 2022. Interest is charged as a rate of 4.16% per annum.	67,260	-
Wheel loader - 2014 Capital lease payable to Gorham Leasing for case wheel loader. Due in annual installments of \$16,671 through December of 2019. Interest is charged as a rate of 3.39% per annum.	31,720	-
Dump truck - 2013 Capital lease payable to Gorham Leasing for Western Star dump truck. Due in annual installments of \$11,590 through December of 2019. Interest is charged as a rate of 3.39% per annum.	22,053	-
Plow assembly - 2013 Capital lease payable to Gorham Leasing for Aeverest plow assembly. Due in annual installments of \$10,552 through June of 2020. Interest is charged as a rate of 3.39% per annum.	20,078	-
International truck - 2015 Capital lease payable to Gorham Leasing for an International dump truck. Due in annual installments of \$14,974 through April of 2021. Interest is charged as a rate of 3.33% per annum.	42,089	-
T4 loader - 2015 Capital lease payable to Gorham Leasing for Case T4 loader. Due in annual installments of \$14,859 through April of 2020. Interest is charged as a rate of 3.19% per annum.	28,354	-
Chevy dump truck - 2017 Capital lease payable to Androscoggin Bank for a 2017 Chevy dump truck. Due in annual installments of \$9,324 through December 2019. Interest is charged as a rate of 2.63% per annum.	17,937	-
Minolta copier - 2018 Capital lease payable to Androscoggin Bank for a Konica Minolta copier. Due in annual installments of \$2,345 through November 2019. Interest is charged as a rate of 2.82% per annum.	4,500	-
Snow Groomer - 2016 Capital lease payable to Androscoggin Bank for a snow groomer. Due in annual installments of \$18,939 through November of 2025. Interest is charged as a rate of 2.92% per annum.	-	133,394
Snow guns upgrade - 2017 Capital lease payable to Snow Economics, Inc. for 16 snow guns. Due in annual installments through July 2018. No interest is being charged.	-	21,418
	<u>\$ 299,055</u>	<u>\$ 154,812</u>

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 5 - LONG-TERM DEBT (CONTINUED)

Future minimum payments, by year and in the aggregate, under these leases are as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
2019	\$ 162,691	\$ 40,357
2020	95,493	18,938
2021	30,151	18,939
2022	15,176	18,939
2023	15,176	18,939
2024-2028	-	56,816
Total minimum lease payments	<u>318,687</u>	<u>172,928</u>
Less: Amount representing interest	<u>(19,632)</u>	<u>(18,116)</u>
Present value of future minimum lease payments	<u>\$ 299,055</u>	<u>\$ 154,812</u>

NOTE 6 - NONSPENDABLE FUND BALANCES

At June 30, 2018, the Town had the following nonspendable fund balances:

General fund:	
Prepaid items	\$ 14,320
Inventory	8,526
Tax acquired property	26,808
Nonmajor permanent funds (Schedule I)	<u>146,156</u>
	<u>\$ 195,810</u>

NOTE 7 - RESTRICTED FUND BALANCES

At June 30, 2018, the Town had the following restricted fund balances:

Charles Wood fund	\$ 2,048,106
Mountain View Cemetery	1,162,623
Nonmajor permanent funds (Schedule I)	<u>1,196,043</u>
	<u>\$ 4,406,772</u>

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 8 - COMMITTED FUND BALANCES

At June 30, 2018, the Town had the following committed fund balances:

Nonmajor special revenue funds (Schedule E)	\$ 529,636
Nonmajor capital projects funds (Schedule G)	877,549
	<u>\$ 1,407,185</u>

NOTE 9 - ASSIGNED FUND BALANCES

At June 30, 2018, the Town had the following assigned fund balances:

General fund:	
Carry forwards	\$ 824,615
Sewer operation	860,454
	<u>\$ 1,685,069</u>

NOTE 10 - DEFICIT FUND BALANCES

At June 30, 2018, the Town had the following deficit fund balances:

Tannery riverwalk	\$ 2,525
Route 105 sidewalk extension	9,620
Ship/Hoist walkway grant	112,074
Lupine terrance grant	50
Project canopy	10,165
Town clock	75,000
Oak Hill cemetery memorial	17,152
Opera house productions	15,069
KNX	835
FICA/Medicare	4,657
Gasoline	91,738
Opera house rentals	19,590
Seabright hydro fund	39,939
Economic development	1,771
Fuel depot maintenance	4,699
Public works equipment	981
	<u>\$ 405,865</u>

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 11 - EXPENDITURES OVER APPROPRIATIONS

The Town had the following overspent appropriations at June 30, 2018.

Administration, assessing & finance	\$ 11,906
Public services - parking	540
Public services - tree program	29
General assistance	1,704
Debt service - principal	364
	<u>\$ 14,543</u>

NOTE 12 - OVERLAPPING DEBT

The Town is responsible for its proportionate share of any defaulted debt by entities of which it is a member. As of June 30, 2018, the Town's share was as follows:

	<u>Outstanding Debt</u>	<u>Town's Percentage</u>	<u>Total Share</u>
Five Town CSD	\$ 3,765,764	38.53%	\$ 1,450,949
RSU No. 28	37,560,221	55.41%	20,812,118
County of Knox	1,650,000	17.28%	285,120
			<u>\$ 22,548,187</u>

NOTE 13 - DEFINED BENEFIT PENSION PLAN

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

Plan Description

Town employees contribute to the Maine Public Employees Retirement System (MainePERS), a cost-sharing multiple-employer defined benefit pension plan established by the Maine State Legislature. Title 5 of the Maine Revised Statutes Annotated assigns the authority to establish and amend benefit provisions to the Participating Local District (PLD) Consolidated Plan's advisory group, which reviews the terms of the plan and periodically makes recommendations to the Legislature to amend the terms. The Maine Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the Consolidated Plan. That report may be obtained online at www.maineopers.org or by contacting the System at (207) 512-3100.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 13 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Benefits Provided

The Maine Public Employees Retirement System provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. The System's retirement programs provide 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 (effective October 1, 1999, the prior ten year requirement was reduced by legislative action to five years for employees of PLDs). 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 or 65. 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. The System also provides disability and death benefits which are established by contract with PLD employers under applicable statutory provisions.

Upon termination of membership, members' accumulated employee contributions are refundable with interest, credited in accordance with statute. Withdrawal of accumulated contributions results in forfeiture of all benefits and membership rights. The annual rate of interest credited to members' accounts is set by the System's Board of Trustees and is currently 2.45%. At June 30, 2017, the most recent period available, the retirement system consisted of 299 participating employers.

Contributions

Retirement benefits are funded by contributions from members and employers and by earnings on investments. Disability and death benefits are funded by employer normal cost contributions and by investment earnings. The Town's employees are part of the PLD's regular plan "AC" and special plan "2C" and are required to contribute 8.0% and 8.0%, respectively of their annual salary and the Town is required to contribute at an actuarially determined rate. The current rate is 9.6% for regular plan "AC" members covered payroll and 10.10% for special plan "2C" members covered payroll. The contribution rates of plan members and the Town are established and may be amended by the Maine Public Employee Retirement Systems advisory group. The Town's contribution to the MainePERS PLD Consolidated Plan for the year ended June 30, 2018 was \$245,476.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 13 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

At June 30, 2018, the Town reported a liability of \$1,671,310 for its proportionate share of the net pension liabilities for the plan. The net pension liabilities were measured as of June 30, 2017, and the total pension liabilities used to calculate the net pension liabilities was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liabilities were based on a projection of the Town's long-term share of contributions to each pension plan relative to the projected contributions of all PLDs, actuarially determined. At June 30, 2017, the Town's proportion was 0.408198%, which was an decrease of 0.031769% from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the Town recognized net pension expense of \$53,899. At June 30, 2018, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	PLD Plan	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 80,294
Changes of assumptions	142,218	-
Net difference between projected and actual earnings on pension plan investments	575,981	621,937
Changes in proportion and differences between contributions and proportionate share of contributions	52,324	83,510
Contributions subsequent to the measurement date	<u>245,476</u>	<u>-</u>
Total	<u>\$ 1,015,999</u>	<u>\$ 785,741</u>

\$245,476 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, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 13 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

	PLD Plan
Plan year ended June 30:	
2018	\$ (42,297)
2019	129,654
2020	11,213
2021	(113,788)
2022	-
Thereafter	-

Actuarial Methods and Assumptions

The collective total pension liability for the Plan was determined by an actuarial valuation as of June 30, 2017, using the following methods and assumptions applied to all periods included in the measurement:

Actuarial Cost Method

The Entry Age Normal actuarial funding method is used to determine costs. Under this funding method, the total employer contribution rate consists of two elements: the normal cost rate and the unfunded actuarial liability (UAL) rate.

The individual entry age normal method is used to determine liabilities. Under the individual entry age normal method, a normal cost rate is calculated for each employee. This rate is determined by taking the value, as of age at entry into the plan, of the member's projected future benefits, and dividing it by the value, also as of the member's entry age, of his or her expected future salary. The normal cost for each employee is the product of his or her pay and his or her normal cost rate. The normal cost for the group is the sum of the normal costs for all members.

Experience gains and losses, i.e., decreases or increases in liabilities and/or in assets when actual experience differs from the actuarial assumptions, affect the unfunded actuarial accrued liability.

Asset Valuation Method

The actuarial valuation employs a technique for determining the actuarial value of assets which dampens the swing in the market value. The specific technique adopted in this valuation recognizes in a given year one-third of the investment return that is different from the actuarial assumption for investment return.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 13 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Amortization

The net pension liability of the PLD Consolidated Plan is amortized on an open basis over a period of fifteen years.

Significant actuarial assumptions employed by the actuary for funding purposes as of June 30, 2017 are as follows:

Investment Rate of Return - For the PLD Plan, 6.875% per annum, compounded annually.

Salary Increases, Merit and Inflation - Members of the consolidated plan for PLDs, 2.75% to 9.00% per year.

Mortality Rates - For participating local districts, the RP2014 Total Dataset Healthy Annuitant Mortality Table, for males and females, is used. For all recipients of disability benefits, the RP2014 Total Dataset Disabled Annuitant Mortality Table, for males and females, is used.

Cost of Living Benefit Increases – 2.20% for participating local districts.

The long-term expected rate of return on pension plan assets 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 class of assets. 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 June 30, 2017 are summarized in the following table.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 13 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Asset Class	PLD Plan	
	Target Allocation	Long-term Expected Real Rate of Return
Public equities	30.0%	6.0%
US government	7.5%	2.3%
Non-US equities		
Private equity	15.0%	7.6%
Real assets:		
Real estate	10.0%	5.2%
Infrastructure	10.0%	5.3%
Natural resources	5.0%	5.0%
Traditional credit	7.5%	3.0%
Alternative credit	5.0%	4.2%
Diversifiers	10.0%	5.9%

Discount Rate

The discount rate used to measure the collective total pension liability was 6.875% for 2017. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and non-employer entity contributions 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 to current plan members. 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.

The following table shows how the collective net pension liability(asset) as of June 30, 2017 would change if the discount rate used was one percentage point lower or one percentage point higher than the current rate. The current rate is 6.875% for the PLD Consolidated Plan.

	1% Decrease	Discount Rate	1% Increase
<u>PLD Plan:</u>			
Discount rate	5.875%	6.875%	7.875%
Town's proportionate share of the net pension liability	\$ 3,353,161	\$ 1,671,310	\$ 405,136

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 13 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Changes in net pension liability are recognized in pension expense for the year ended June 30, 2017 with the following exceptions.

Differences between Expected and Actual Experience

The difference between expected and actual experience with regard to economic or demographic factors were recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. For 2017, this was three years for the PLD Consolidated Plan; prior to 2017, this was four years for the PLD Consolidated Plan.

Changes in Net Pension Liability

Differences between Projected and Actual Investment Earnings

Differences between projected and actual investment earnings were recognized in pension expense using a straight-line amortization method over a closed five-year period.

Changes in Assumptions

Differences due to changes in assumptions about future economic or demographic factors or other inputs were recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The actuarial assumptions used for the year ended June 30, 2017 valuation were based on the results of an actuarial experience study for the period of June 30, 2012 through June 30, 2015.

Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions

Differences resulting from a change in proportionate share of contributions and differences between total employer contributions and the employer's proportionate share of contributions were recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. Differences between total employer contributions and the employer's proportionate share of contributions may arise when an employer has a contribution requirement for an employer specific liability.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 13 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Plan Fiduciary Net Position

Additional financial and actuarial information with respect to the Plan can be found in the MainePERS' 2017 Comprehensive Annual Financial Report available online at www.maineopers.org or by contacting the System at (207) 512-3100.

NOTE 14 - DEFERRED COMPENSATION PLAN

INTERNATIONAL CITY MANAGEMENT ASSOCIATION RETIREMENT
CORPORATION

A. Plan Description

The Town contributes to a deferred compensation plan created in accordance with Internal Revenue Service Code Section 457 through the International City Management Association Retirement Corporation (ICMA-RC). The plan, available to all Town employees permits them to defer a portion of their salary, in addition to Town contributions until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseen emergency.

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

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

B. Funding Policy

The contribution requirements of plan members and the Town are established and may be amended by the Town's Board of Selectmen. Generally, the Town will contribute 5 to 6% of annual salary for full-time employees that participate in the Town's deferred compensation plan. The Town will make a contribution to either MSRS or the ICMA plan, but not both.

The Town's contributions to the plan including employee contributions for 2018, 2017 and 2016 was \$16,426, \$25,868 and \$180,592, respectively.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

Plan Description

Town employees contribute to the Group Life Insurance Plan for Retired Participating Local District (PLD) (the PLD Consolidated Plan of the Maine Public Employees Retirement System (MainePERS)), a cost-sharing multiple-employer defined benefit plan established by the Maine State Legislature. Title 5 of the Maine Revised Statutes Annotated assigns the authority to establish and amend benefit provisions to the Participating Local District Consolidated Plan's advisory group, which reviews the terms of the plan and periodically makes recommendations to the Legislature to amend the terms. The Maine Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the Consolidated Plan. That report may be obtained online at www.mainebers.org or by contacting the System at (800) 451-9800.

Benefits Provided

The Group Life Insurance Plan (the Plan) provides basic group life insurance benefits, during retirement, to retirees who participated in the Plan prior to retirement for a minimum of 10 years (the 10-year participation requirement does not apply to recipients of disability retirement benefits). The level of coverage in retirement is initially set to an amount equal to the retiree's average final compensation. The initial amount of basic life is then subsequently reduced at the rate of 15% per year to the greater of 40% of the initial amount, or \$2,500.

Contributions

Life insurance benefits are funded by contributions from members and employers. Premium rates are those determined by the MainePERS's Board of Trustees to be actuarially sufficient to pay anticipated claims. For state employees, the premiums for retiree life insurance coverage are factored into the premiums paid for basic coverage while participants are active members. Premiums for basic life insurance coverage for retired teachers are paid by the State as the total dollar amount of each year's annual required contribution. PLD employers are required to remit a premium of \$0.46 per \$1,000 of coverage for covered active employees, a portion of which is to provide a level of coverage in retirement. PLD employers with retired PLD employees continue to remit a premium of \$0.46 per \$1,000 of coverage per month during the post-employment retired period. The Town's contribution to the Plan for the year ended June 30, 2018 was \$2,693.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Proportionate Net OPEB Liability, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2018, the Town reported a liability of \$43,415 for its proportionate share of the net OPEB liabilities for the Plan. The net OPEB liabilities were measured as of June 30, 2017, and the total OPEB liabilities used to calculate the net OPEB liabilities was determined by an actuarial valuation as of that date. The Town's proportion of the net OPEB liabilities were based on a projection of the Town's long-term share of contributions to the Plan relative to the projected contributions of all PLDs, actuarially determined. At June 30, 2017, the Town's proportion was 0.259635%, which was an increase of 0.026306% from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the Town recognized net OPEB revenue of \$132. At June 30, 2018, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	PLD Life Insurance	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	-	12,097
Net difference between projected and actual earnings on pension plan investments	-	2,078
Changes in proportion and differences between contributions and proportionate share of contributions	4,957	-
Contributions subsequent to the measurement date	-	-
Total	\$ 4,957	\$ 14,175

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>PLD Life Insurance</u>
Plan year ended June 30:	
2018	\$ (1,948)
2019	(1,948)
2020	(1,948)
2021	(1,948)
2022	(1,426)
Thereafter	-

Actuarial Methods and Assumptions

The collective total OPEB liability for the Plan was determined by an actuarial valuation as of June 30, 2017, using the following methods and assumptions applied to all periods included in the measurement:

Actuarial Cost Method

The Entry Age Normal actuarial funding method is used to determine costs. Under this funding method, the total employer contribution rate consists of two elements: the normal cost rate and the unfunded actuarial liability (UAL) rate.

The individual entry age normal method is used to determine liabilities. Under the individual entry age normal method, a normal cost rate is calculated for each employee. This rate is determined by taking the value, as of age at entry into the plan, of the member's projected future benefits, and dividing it by the value, also as of the member's entry age, of his or her expected future salary. The normal cost for each employee is the product of his or her pay and his or her normal cost rate. The normal cost for the group is the sum of the normal costs for all members.

Experience gains and losses, i.e., decreases or increases in liabilities and/or in assets when actual experience differs from the actuarial assumptions, affect the unfunded actuarial accrued liability.

Asset Valuation Method

Investments are reported at fair value.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Amortization

The net OPEB liability of the Plan is amortized on a level percentage of payroll over a thirty-year period on a closed basis. As of June 30, 2017, there were 13 years remaining for the Plan.

The actuarial assumptions used in the June 30, 2017 and June 30, 2016 actuarial valuations were based on the results of an actuarial experience study conducted for the period of June 30, 2012 to June 30, 2015.

Significant actuarial assumptions employed by the actuary for funding purposes as of June 30, 2017 are as follows:

Investment Rate of Return - For the PLD Plan, 6.875% per annum, compounded annually.

Inflation Rate - 2.75%

Annual Salary Increases including Inflation - For the PLD Plan, 2.75% to 9.00% per year.

Mortality Rates - For active members and non-disabled retirees of the Plan, the RP2014 Total Dataset Healthy Annuitant Mortality Table, for males and females, is used. For all recipients of disability benefits, the RP2014 Total Dataset Disabled Annuitant Mortality Table, for males and females, is used. These tables are adjusted by percentages ranging from 104% to 120% based on actuarially determined demographic differences.

Participation Rate for Future Retirees - 100% of those currently enrolled.

Conversion Charges - Apply to the cost of active group life insurance, not retiree group life insurance.

Form of Benefit Payment - Lump sum

The long-term expected rate of return on the Plan's investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major class of assets. 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

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

estimates of long-term real rates of return for each major asset class included in the target asset allocation as of June 30, 2017 are summarized in the following table. Assets for the defined benefit plan are comingled for investment purposes.

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Public equities	70.00%	6.00%
Real estate	5.00%	5.20%
Traditional credit	16.00%	3.00%
US Government securities	9.00%	2.30%
Total	100.00%	

Discount Rate

The discount rate used to measure the collective total OPEB liability was 5.41% for 2017. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at contractually required rates, actuarially determined.

The following table shows how the collective net OPEB liability/(asset) as of June 30, 2017 would change if the discount rate used was one percentage point lower or one percentage point higher than the current rate. The current rate is 5.41% for the PLD Plan.

	1% Decrease	Discount Rate	1% Increase
PLD Life Insurance: Discount rate	4.41%	5.41%	6.41%
Town's proportionate share of the net OPEB liability	\$ 58,266	\$ 43,415	\$ 31,691

Changes in Net OPEB Liability

Each employer's share of the collective net OPEB liability is equal to the collective net OPEB liability multiplied by the employer's proportionate share as of June 30, 2017 as shown in the schedules of employer and non-employer contributing entity

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

allocations. Changes in net OPEB liability are recognized in OPEB expense for the year ended June 30, 2017 with the following exceptions:

Differences between Expected and Actual Experience

The difference between expected and actual experience with regard to economic or demographic factors are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. There were no differences between expected and actual experience as of June 30, 2017.

Differences between Projected and Actual Investment Earnings on OPEB Plan Investments

Differences between projected and actual investment earnings are recognized in OPEB expense using a straight-line amortization method over a closed five-year period. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources.

Changes in Assumptions

Differences due to changes in assumptions about future economic or demographic factors or other inputs are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The actuarial assumptions used in the June 30, 2017 and June 30, 2016 actuarial valuations were based on the results of an actuarial experience study conducted for the period of June 30, 2012 to June 30, 2015. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. The amortization period for the PLD Plan was six years for 2017. For the fiscal year ended June 30, 2017, there were no changes in assumptions with the exception of the use of a blended discount rate for the PLD Plan. Governmental Accounting Standards Board (GASB) Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pensions Plans*, requires the use of a blended discount rate for determining the total OPEB liability when it is projected that plan assets are not sufficient to meet benefit obligations in the future. In years where assets are projected to be sufficient to pay benefits, the Plan's assumed rate of return is used; in years where assets are not projected to be sufficient to pay benefits, the use of a municipal bond rate is required. The result is a single blended discount rate.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions

Differences resulting from a change in proportionate share of contributions and differences between total employer contributions and the employer's proportionate share of contributions are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. Differences between total employer contributions and the employer's proportionate share of contributions may arise when an employer has a contribution requirement for an employer specific liability. There were no differences between employer contributions and proportionate share of contributions as of June 30, 2017.

OPEB Plan Fiduciary Net Position

Additional financial and actuarial information with respect to the Plan can be found in the MainePERS' 2017 Comprehensive Annual Financial Report available online at www.maineopers.org or by contacting the System at (207) 512-3100.

MAINE MUNICIPAL EMPLOYEES HEALTH TRUST

Plan Description

The Town and Town retirees contribute to the Town's OPEB Plan with the Maine Municipal Employees Health Trust (MMEHT), a single employer defined benefit plan. Contributions and membership in this Plan are voluntary and may be terminated at any time by the Town and/or the Town retirees. MMEHT is a fully funded, self-insured trust which provides benefits to municipal and quasi-municipal organizations and county governments and acts as the agent to the Town concerning administration of this Plan. Title 24-A Chapter 81 of the Maine Revised Statutes Annotated authorizes the regulation of MMEHT as a Multiple Employer Welfare Arrangement by the State of Maine Bureau of Insurance. Benefits and plans are designed and governed by MMEHT participants and are administered by a number of third-party administrators contracted by MMEHT. MMEHT issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by MMEHT at (800) 852-8300.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Benefits Provided

This Plan provides medical/prescription drug benefits during retirement to Medicare and non-Medicare retirees and their surviving spouses with varying levels of benefits determined by voluntary plan selection by the retiree as well as applicable Medicare statutes and regulations. The Plan also provides an automatic life insurance benefit of \$2,000 to participants which includes a surviving spouse benefit for the same. The employee must meet the minimum requirement of age 55 with at least 5 years of service at retirement to be eligible for the Plan. The retiree must enroll when first eligible and continue coverage without interruption.

Employees Covered by Benefit Terms

At January 1, 2018, the following employees were covered by the benefit terms:

Active members	47
Retirees and spouses	<u>5</u>
Total	<u><u>52</u></u>

Contributions

Retiree and spouse premium amounts are funded by the retiree at the rate for the coverage elected by the retiree. Premium rates are those determined by the MMEHT's Board of Trustees to be actuarially sufficient to pay anticipated claims. Premiums for retiree life insurance coverage are factored into the premiums paid for basic coverage. Retirees and spouses must contribute 100% of the premium amounts. The sponsoring employer pays the remainder of the premium. Medical benefits are provided for the life of the retiree and surviving spouses.

Retiree Premium Amounts:

The following monthly premium amounts were reported on the individual data file. Actual plan election was reflected in expected retiree premium amounts.

<u>Pre-Medicare</u>	<u>Single Coverage</u>	<u>Family Coverage</u>
POS 200	\$956.96	\$2,146.58
POS C	\$1,044.20	\$2,342.30
PPO 500	\$925.31	\$2,075.59
<u>Medicare</u>		
Medicare-Eligible Retirees	\$527.65	\$1,055.29

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Total OPEB Liability, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2018, the Town reported a liability of \$423,503 for its total OPEB liability for this Plan. The total OPEB liability was measured as of January 1, 2018 and was determined by an actuarial valuation as of that date. The Town's total OPEB liability was based on the Entry Age Normal Actuarial Cost Method which does not reflect future changes in benefits, subsidies, penalties, taxes or administrative costs that may be required as a result of the Patient Protection and Affordable Care Act of 2010 (ACA) related legislation and regulations.

For the year ended June 30, 2018, the Town recognized OPEB expense of \$33,962. At June 30, 2018, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	MMEHT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 5,402
Changes of assumptions	51,341	-
Net difference between projected and actual earnings on OPEB plan investments	-	-
Total	\$ 51,341	\$ 5,402

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	MMEHT
Plan year ended June 30:	
2019	\$ 6,562
2020	6,562
2021	6,562
2022	6,562
2023	6,562
Thereafter	13,129

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Discount Rate

The discount rate is the assumed interest rate used for converting projected dollar related values to a present value as of January 1, 2018. The discount rate determination is based on the high quality AA/Aa or higher bond yields in effect for 20-year, tax-exempt general obligation municipal bonds using the Bond Buyer 20-Bond GO Index. The rate of 3.44% per annum for December 31, 2018 was based upon a measurement date of December 31, 2017. The sensitivity of net OPEB liability to changes in discount rate are as follows:

	1% Decrease	Discount Rate	1% Increase
	2.44%	3.44%	4.44%
Total OPEB liability	\$ 497,901	\$ 423,503	\$ 363,619
Plan fiduciary net position	-	-	-
Net OPEB liability	<u>\$ 497,901</u>	<u>\$ 423,503</u>	<u>\$ 363,619</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%

Healthcare Trend

The healthcare trend is the assumed dollar increase in dollar-related values in the future due to the increase in the cost of health care. The healthcare cost trend rate is the rate of change in per capita health claim costs over time as a result of factors such as medical inflation, utilization of healthcare services, plan design and technological developments. The sensitivity of net OPEB liability to changes in healthcare cost trend rates are as follows:

	1% Decrease	Healthcare Trend Rates	1% Increase
Total OPEB liability	\$ 361,559	\$ 423,503	\$ 502,319
Plan fiduciary net position	-	-	-
Net OPEB liability	<u>\$ 361,559</u>	<u>\$ 423,503</u>	<u>\$ 502,319</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Actuarial Methods and Assumptions

The total OPEB liability for the Plan was determined by an actuarial valuation as of June 30, 2016, using the following methods and assumptions applied to all periods included in the measurement:

Actuarial Cost Method

The Entry Age Normal Actuarial Cost Method is used to determine costs. Under this funding method, a normal cost rate is determined as a level percent of pay for each active Plan member and then summed to produce the total normal cost for this Plan. The unfunded actuarial liability is the difference between the actuarial liability and the actuarial value of assets.

For medical and pharmacy, historical claims and census records were assembled and provided through June 30, 2017. Medicare and non-Medicare eligible medical and prescription experience were analyzed. It was assumed that current enrollment distribution of benefit options would remain constant in the future for retirees. The cost was distributed based on the current covered population and the actuary's standard age curves which vary by age, gender and Medicare status. Children costs are converted to a load on the non-Medicare retirees which implicitly assumes that future retirees will have the same child distribution as current retirees.

Amortization

The total OPEB liability of this Plan is amortized on an open 30-year period. The amortization method is a level dollar amortization method.

Assumptions

The actuarial assumptions used in the January 1, 2018 actuarial valuation was based on economic, demographic and claim and expense assumptions that resulted from actuarial studies conducted for the period of December 31, 2017 and December 31, 2018.

Significant actuarial assumptions employed by the actuary for economic purposes are the assumptions that were adopted by Maine State Retirement Consolidated Plan for Participating Local District at June 30, 2016 and based on the experience study covering the period from June 30, 2012 through June 30, 2015. As of January 1, 2018, they are as follows:

Discount Rate - 3.44% per annum.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Trend Assumptions:

Pre-Medicare Medical - Initial trend of 8.20% applied in 2018 grading over 14 years to 4.00% per annum.

Pre-Medicare Drug - Initial trend of 9.60% applied in 2018 grading over 14 years to 4.00% per annum.

Medicare Medical - Initial trend of 4.93% applied in 2018 grading over 14 years to 4.00% per annum.

Medicare Drug - Initial trend of 9.60% applied in 2017 grading over 14 years to 4.00% per annum.

Administrative and claims expense - 3% per annum.

Medical and drug trends were blended to develop non-Medicare and Medicare trends based on experience weight as listed below.

FYE	Non-Medicare		Medicare		Non-Medicare	Medicare
	Medical	Drug	Medical	Drug	Blended	Blended
2018	8.20%	9.60%	4.93%	9.60%	8.46%	8.27%
2019	7.90%	9.20%	4.87%	9.20%	8.15%	8.00%
2020	7.60%	8.80%	4.80%	8.80%	7.83%	7.72%
2021	7.30%	8.40%	4.73%	8.40%	7.51%	7.44%
2022	7.00%	8.00%	4.67%	8.00%	7.20%	7.15%
2023	6.70%	7.60%	4.60%	7.60%	6.88%	6.85%
2024	6.40%	7.20%	4.53%	7.20%	6.56%	6.55%
2025	6.10%	6.80%	4.47%	6.80%	6.24%	6.24%
2026	5.80%	6.40%	4.40%	6.40%	5.92%	5.93%
2027	5.50%	6.00%	4.33%	6.00%	5.60%	5.61%
2028	5.20%	5.60%	4.27%	5.60%	5.28%	5.29%
2029	4.90%	5.20%	4.20%	5.20%	4.96%	4.97%
2030	4.60%	4.80%	4.13%	4.80%	4.64%	4.65%
2031	4.30%	4.40%	4.07%	4.40%	4.32%	4.33%
2032	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%

Future plan changes - Assumes that the current Plan and cost-sharing structure remain in place for all future years.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Significant actuarial assumptions employed by the actuary for demographic purposes are the assumptions that were adopted by Maine State Retirement Consolidated Plan for Participating Local District at June 30, 2016 and based on the experience study covering the period from June 30, 2012 through June 30, 2015. As of January 1, 2018, they are as follows:

Retirement Rates - Rates vary for plans with no explicit employer subsidy (or payment) versus those plans defining an explicit employer subsidy (or payment). The rates are based on assumptions from the Maine State Retirement Consolidated Plan for Participating Local District at June 30, 2016.

Age	Tier 1 (Those hired before 7/1/14)		Tier 2 (Those hired on or after 7/1/14)	
	No Additional Employer Payment	With Additional Employer Payment	No Additional Employer Payment	With Additional Employer Payment
55	5%	5%	5%	5.5%
56	5%	5%	5%	5.5%
57	5%	5%	5%	5.5%
58	5%	5%	5%	5.5%
59	20%	20%	5%	5.5%
60	20%	25%	5%	5.5%
61	20%	25%	5%	5.5%
62	20%	25%	5%	5.5%
63	20%	25%	5%	5.5%
64	20%	25%	20%	25%
65	25%	45%	20%	40%
66	25%	30%	20%	25%
67	25%	30%	20%	25%
68	25%	30%	20%	25%
69	25%	30%	20%	25%
70	100%	100%	100%	100%

Retirement Contribution Increases - Assumed to increase at the same rate as incurred claims.

Family Enrollment Composition - For males, 50% of future retirees under the age of 65 and 50% of current retirees are married and elect spousal coverage while females are at 30% for both. 25% of male and female future retirees over the age of 65 are married and elect spousal coverage.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Age Difference of Spouses - Husbands are assumed to be 3 years older than wives.

Administrative expenses - Included in the per capita claims cost.

Rates of Turnover - Termination rates were taken from the assumptions for the Maine State Retirement Consolidated Plan for Participating Local District at June 30, 2016.

Years of Service	Revised
0	25.0%
1	20.0%
2	15.0%
3	12.0%
4	10.0%
5	9.0%
6	6.0%
7+	4.0%

Disability Incidence - Disabled lives will be considered active employees and will not be valued separately.

Salary Increase Rate - 2.75% per year assumed using the level percentage of pay entry age method.

Dates of Hire - Needed to be assumed for some employees and will be based on the average age at hire for similar employees.

Rate of Mortality - Based on 104% and 120% of the RP2014 Total Dataset Healthy Annuitant Mortality Table, respectively for males and females, using the RP2014 Total Dataset Employee Mortality Table for ages prior to the start of the Healthy Annuitant Mortality Table, both projected from the 2006 base rates using the RPEC _2015 model, with an ultimate rate of 0.85% for ages 20-85 grading down to an ultimate rate of 0.00% for ages 111-120, and convergence to the ultimate rate in the year 2020. These rates were taken from the assumptions for the Maine State Retirement Consolidated Plan for Participating Local District at June 30, 2016.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Participation Rates -

Age	No Additional Employer Payment	With Additional Employer Payment
55	5%	80%
56	8%	80%
57	11%	80%
58	14%	80%
59	17%	80%
60	20%	80%
61	22%	90%
62	24%	90%
63	26%	90%
64	29%	90%
65	32%	90%
66	34%	90%
67	36%	90%
68	38%	90%
69	40%	90%
70	50%	90%

Retiree Continuation Percentage:

Medicare participant retirees - 100% assumed to continue in the plan elected.

Pre-Medicare plan retirees and active participants - 75% assumed to continue coverage once Medicare-eligible

Pre-Medicare plan spouses and spouses of active participants - 50% assumed to continue coverage once Medicare-eligible

Significant actuarial assumptions employed by the actuary for Claim and Expense Assumptions as of January 1, 2018 are as follows

Monthly Per Capita Claims and Expense Cost - For all medical and prescription drug benefits for the year 2018 is expressed per adult covered beneficiary.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Age	POS A				POS 200			
	Medical		Rx		Medical		Rx	
	Male	Female	Male	Female	Male	Female	Male	Female
40	\$311	\$565	\$99	\$122	\$296	\$538	\$95	\$118
45	\$411	\$585	\$128	\$146	\$391	\$557	\$123	\$141
50	\$539	\$674	\$163	\$173	\$513	\$641	\$157	\$166
55	\$694	\$824	\$203	\$202	\$660	\$784	\$195	\$195
60	\$878	\$971	\$248	\$234	\$835	\$923	\$239	\$226
64	\$1,045	\$986	\$288	\$262	\$993	\$938	\$278	\$253
65	\$120	\$110	\$457	\$446	\$120	\$110	\$457	\$446
70	\$144	\$124	\$514	\$467	\$144	\$124	\$514	\$467
75	\$176	\$148	\$502	\$458	\$176	\$148	\$502	\$458
80	\$209	\$174	\$454	\$432	\$209	\$174	\$454	\$432

Age	POS C				PPO 500			
	Medical		Rx		Medical		Rx	
	Male	Female	Male	Female	Male	Female	Male	Female
40	\$306	\$556	\$99	\$122	\$289	\$524	\$95	\$118
45	\$404	\$575	\$128	\$146	\$381	\$542	\$123	\$141
50	\$530	\$662	\$163	\$173	\$499	\$624	\$157	\$166
55	\$683	\$811	\$203	\$202	\$643	\$764	\$195	\$195
60	\$863	\$955	\$248	\$234	\$813	\$899	\$239	\$226
64	\$1,027	\$969	\$288	\$262	\$968	\$913	\$278	\$253
65	\$120	\$110	\$457	\$446	\$120	\$110	\$457	\$446
70	\$144	\$124	\$514	\$467	\$144	\$124	\$514	\$467
75	\$176	\$148	\$502	\$458	\$176	\$148	\$502	\$458
80	\$209	\$174	\$454	\$432	\$209	\$174	\$454	\$432

Age	PPO 1000				PPO 1500			
	Medical		Rx		Medical		Rx	
	Male	Female	Male	Female	Male	Female	Male	Female
40	\$281	\$510	\$95	\$118	\$273	\$495	\$95	\$118
45	\$371	\$528	\$123	\$141	\$360	\$512	\$123	\$141
50	\$486	\$608	\$157	\$166	\$472	\$589	\$157	\$166
55	\$627	\$744	\$195	\$195	\$608	\$722	\$195	\$195
60	\$792	\$876	\$239	\$226	\$768	\$850	\$239	\$226
64	\$943	\$890	\$278	\$253	\$914	\$863	\$278	\$253
65	\$120	\$110	\$457	\$446	\$120	\$110	\$457	\$446
70	\$144	\$124	\$514	\$467	\$144	\$124	\$514	\$467
75	\$176	\$148	\$502	\$458	\$176	\$148	\$502	\$458
80	\$209	\$174	\$454	\$432	\$209	\$174	\$454	\$432

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Age	PPO 2500			
	Medical		Rx	
	Male	Female	Male	Female
40	\$261	\$474	\$95	\$118
45	\$345	\$491	\$123	\$141
50	\$452	\$565	\$157	\$166
55	\$583	\$692	\$195	\$195
60	\$737	\$815	\$239	\$226
64	\$877	\$828	\$278	\$253
65	\$120	\$110	\$457	\$446
70	\$144	\$124	\$514	\$467
75	\$176	\$148	\$502	\$458
80	\$209	\$174	\$454	\$432

Claims reflect all medical and prescription plans offered based on completed incurred experience through June 30, 2017 and projected to 2018 and associate enrollment in the various programs options offered.

Annual administrative and claims adjudication expenses are assumed to be \$430 per period for the year 2018.

Claims below age 65 have been loaded 4.3% for medical and 2.8% for drugs for the cost of children enrolled as dependent of eligible retirees. This figure is based on the expected cost for children of the current retirees. This assumption implicitly assumes that future retirees will have the same child distribution as current retirees.

No covered persons under 65 are assumed to be on Medicare and participants age 65 or older are assumed to be enrolled in Medicare.

Affordable Care Act (ACA) and Healthcare Marketplace - A 2.5% load has been built in to reflect the potential impact of changes from the ACA and its impact on the marketplace and program costs. Some key items are PCORI fees, the extra government subsidies for Medicare Part D that can be enrolled in through an Employer Group Waiver Program, minimum loss ratio requirements that impacted some fully insured programs, federal premium taxes, taxes and requirements on providers in the healthcare system, dynamics of the marketplace with Exchanges, Accountable Care Organizations, etc. and the potential impact of the Excise Tax associated with high-costs employer sponsored health plans.

Medical Plan Election - employees will continue in their current medical plan for their entire career.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Second-to-Die Spousal Life Insurance - not explicitly valued and was estimated to impact roughly 0.2% of the Plan's total liability.

Dependent Children - no liability assumed for dependent children's benefits.

Changes in Net OPEB Liability

Changes in net OPEB liability are recognized in OPEB expense for the year ended June 30, 2018 with the following exceptions:

Differences between Expected and Actual Experience

The difference between expected and actual experience are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. The difference between expected and actual experience as of January 1, 2018 was \$5,402.

Changes in Assumptions

Differences due to changes in assumptions about future economic, demographic or claim and expense factors or other inputs are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The actuarial assumptions used in the June 30, 2017 and June 30, 2016 actuarial valuations were based primarily on those used by Maine State Retirement Consolidated Plan for Participating Local District at June 30, 2016 which were based on the experience study covering the period from June 30, 2012 through June 30, 2015. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. The amortization period was six years for 2018. For the fiscal year ended June 30, 2018, there were no changes in assumptions with the exception of the claim costs and retiree contributions being updated to reflect current healthcare costs.

Differences between Projected and Actual Earnings on OPEB Plan Investments

Differences between projected and actual investment earnings are recognized in OPEB expense using a straight-line amortization method over a closed five-year period. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

OPEB Plan Fiduciary Net Position

Additional financial and actuarial information with respect to this Plan can be found at the Town Office at 29 Elm Street, Camden, ME 04843.

NOTE 16 - CONTINGENCIES

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

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

NOTE 17 - 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 participates in a public entity risk pool sponsored by the Maine Municipal Association. The Maine Municipal Association Group Risk Pool is a state-chartered pool established exclusively for Maine municipalities. The pool provides certain property, liability, fidelity and vehicle coverage. If the assets of the pool are at any time actuarially determined to be insufficient to enable the pool to discharge its legal obligations, other obligations, and actuarially sound reserves, the pool has the power to make up the deficiency by the levy of a prorated assessment. There have been no deficiencies during the past three years and management believes that no deficiency exists at June 30, 2018.

The Town is a member of the Maine Municipal Association – Property and Casualty Pool and pays an annual premium for its coverage. Under the property portion of the policy, coverage is provided after a per occurrence deductible is met. The limit of coverage for liability claims brought under the Maine Tort Claims Act is \$400,000 per occurrence. A \$2,000,000 limit of liability is provided for liability claims outside the Maine Tort Claims Act. There is no aggregate liability limit. Coverage for Public Officials Liability, including Employment Practices, is a part of the program. Coverage is on an occurrence basis, rather than a "claims made" form. A \$2,000,000 limit of liability is provided for all claims for Wrongful Acts seeking monetary damages pursuant to federal

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 17 - RISK MANAGEMENT (CONTINUED)

or state law for which the Maine Tort Claims Act does not provide immunity or limitations. Each member has a \$4,000,000 annual aggregate limit. An annual sublimit of \$100,000 per member applies for all back wages and/or future salary awards for employment related claims, subject to a \$5,000 retention and a 10% contribution by the member.

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

The Town is also a member of the Maine Municipal Association – Unemployment Compensation Group Fund (“MMA UC Fund”). The MMA UC Fund was created to assist in meeting members’ obligations under the Employment Security Act in an efficient and cost-effective manner. The Fund is composed of individual municipalities and other public and related non-profit entities that are individually self-insured but administered as a group. Within the Fund, each member has a separate account. As such, the Town makes quarterly payments into their account, based on rates developed by MMA’s consulting actuary. Claims, if any, are paid out of the Town’s own account. The Maine Department of Labor classifies MMA’s UC Fund members as Direct Reimbursement Employers. In other words, the Fund reimburses the Maine DOL on the Town’s behalf only when the Town has unemployment claims from present or former employees.

Occasionally, the Town may have layoffs or resignations or even a part-time employee losing a primary job, that lead to larger claims payments than anticipated. When claims exceed the balance of the Town’s account, the UC Fund continues to pay the Town’s claims with no regard for the negative balance. Repayment of a negative balance is spread out over a period of years to avoid a financial hardship to the Town.

Based on the coverage provided by the insurance purchased, the Town is not aware of any material actual or potential claim liabilities which should be recorded as of June 30, 2018. There were no significant reductions in insurance coverage from that of the prior year and amounts of settlements have not exceeded insurance coverage in the past three years.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 18 - TAX INCREMENT FINANCING DISTRICT & ABATEMENTS

The Town has established a tax increment financing district in accordance with Maine statutes to finance development programs located in the Town of Camden, Maine. The expenditures from the development programs will be recovered in future years through an incremental tax levied upon the district's so called "captured assessed value". A portion of the incremental tax revenues will be returned to the district to repay principal and interest on any indebtedness, to fund the expenditures of the development program, and to finance future expansion.

Town of Camden Downtown Municipal Tax Increment Financing District

On March 26, 2010, the Camden Board of Selectmen, as well as the Maine Department of Economic and Community Development, approved a Tax Increment Financing District to expand and diversify the Town's tax base and improve its economy through commercial development. The area of the District is 37.81 acres. The potential projects that will be implemented under this Development Program include: improvements to harbor boardwalk and construction of footbridge, Riverwalk construction, dam improvements, sidewalk expansions and relocation of displaced parking, Opera House improvements, movie theater renovation, storm drainage infrastructure improvements and other infrastructure improvements related to sidewalks, parking and lighting. The original assessed value of the property is \$85,422,500. The Town anticipates over the life of the district that new development, rehabilitation, and redevelopment will result in approximately \$35,225,100 in new taxable value. Tax increment revenues generated from this value over the life of the district will be approximately \$1,970,740. The Development Program provides for 100% of the increase in assessed value of the District to be captured and designated as captured assessed value. The tax increment revenues will be deposited by the Town into the Development Program Fund for a period of 20 years. The Development Program Fund is pledged to and charged with the payment of the project costs in the manner provided in 30-A M.R.S.A. §5801.

The TIF District will remain in place for a period of 20 years from adoption. The allocation of tax increment revenues, through a credit enhancement agreement, to be paid to owners/developers of specified property, will commence by agreement between the Town and the owner/developer and will continue for a period not to exceed 20 years or the remainder of the term of the District designation, whichever is less. No more than 60% of the property taxes to be generated on the improvements within the District will be returned to the developer. The remaining amount will be retained by the Town and used to fund the development plan of the District. The Selectmen shall determine, in its discretion, whether it is necessary or appropriate to enter any Credit Enhancement Agreement to grant these abatements. The state law does not provide for the recapture of abated taxes in the event an abatement recipient does not fill the commitment it makes in return for the tax abatement. The Town reserves the right to incur

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 18 - TAX INCREMENT FINANCING DISTRICT & ABATEMENTS (CONTINUED)

indebtedness to finance, in part or in whole, the projects within the Development Program.

Abatements

The Town has not made any commitments as part of the Credit Enhancement Agreements other than to reduce taxes. The Town is not subject to any tax abatement agreements entered into by other governmental entities. The Town currently has no tax abatement agreements.

NOTE 19 - JOINTLY GOVERNED ORGANIZATION

The Town of Camden is in joint governance with the Town of Rockport, Maine in the Mid Coast Solid Waste Corporation. The Corporation is operated under an interlocal agreement. The following is a summary of the financial position of the Corporation as of June 30, 2018 of which the Town of Camden owns 50%:

Total Assets	<u>\$4,123,325</u>
Total Liabilities	<u>\$3,555,442</u>
Total Net Position	<u>\$ 567,883</u>

NOTE 20 - RESTATEMENTS

The net position of the governmental activities has been restated at July 1, 2017 to account for the implementation of GASB Statement No. 75 Accounting and Financial Reporting for Postemployment Benefits Other than Pensions - an amendment of GASB Statement No. 45, as amended (issued 06/04), and GASB Statement No. 57 (issued 12/09). The beginning net position was restated by \$404,399.

The net position of the governmental activities has been restated as of July 1, 2017. The net position was restated to reflect a new lease agreement entered into during fiscal year 2017. The beginning net position was restated by \$26,563.

The resulting restatements decreased net position from \$16,575,104 to \$16,144,142.

The net position of the business-type activities has been restated as of July 1, 2017. The net position was restated to reflect an installment agreement for snow guns. The beginning net position was restated by \$41,418. The resulting restatement decreased net position from \$4,529,061 to \$4,487,643.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 20 - RESTATEMENTS (CONTINUED)

As of July 1, 2017 the fund balance for the General Fund and the Permanent Fund's Irene Laite Fund have been restated by \$40,873. These fund balances were restated to correct the Irene Laite Fund's fund balance. The resulting restatement decreased the general fund's beginning fund balance from \$3,318,872 to \$3,277,999, while it increased the Irene Laite Fund's fund balance from \$149,693 to \$190,566.

NOTE 21 - COMPARATIVE DATA/RECLASSIFICATIONS

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the Town's financial position and operations. Also, certain amounts presented in the prior year's data have been reclassified to be consistent with the current year's presentation.

NOTE 22 - SUBSEQUENT EVENTS

On July 11, 2018, the Town entered into a lease purchase agreement with Androscoggin Bank in the amount of \$96,140 for the purchase of SCBA packs, bottles and associated equipment. This is a four year lease agreement at an interest rate of 3.75% per annum.

On July 24, 2018, the Town entered into a lease purchase agreement with Androscoggin Bank in the amount of \$71,918 for the purchase of a Wachter Neuson Loader. This is a four year lease agreement at an interest rate of 3.81% per annum.

On November 1, 2018, the Town issued general obligation bonds through the Maine Municipal Bond Bank for the Seabright dam in the amount of \$230,000 with annual interest ranging from 2.20% to 2.99%. Annual principal payments of \$23,000 plus interest through November 2028.

Required Supplementary Information

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

- Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund
- Schedule of Proportionate Share of the Net Pension Liability
- Schedule of Contributions - Pensions
- Schedule of Proportionate Share of the OPEB Liability - Group Life
- Schedule of Changes in Net OPEB Liability - Health Plan
- Schedule of Changes in Net OPEB Liability and Related Ratios - Health Plan
- Schedule of Contributions - OPEB
- Notes to Required Supplementary Information

TOWN OF CAMDEN, MAINE

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
 BUDGET AND ACTUAL - GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2018

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1, Restated	\$ 3,277,999	\$ 3,277,999	\$ 3,277,999	\$ -
Resources (Inflows):				
General tax revenue	19,397,440	19,397,440	19,512,082	114,642
Intergovernmental revenue	437,729	437,729	449,542	11,813
License and permits	175,300	175,300	193,552	18,252
Charges for services	529,046	529,046	595,380	66,334
Investment income	5,000	5,000	54,733	49,733
Other revenue	79,767	79,767	167,118	87,351
Bond proceeds	408,000	408,000	408,000	-
Use of reserves	87,077	87,077	18,000	(69,077)
Amounts Available for Appropriation	<u>24,397,358</u>	<u>24,397,358</u>	<u>24,676,406</u>	<u>279,048</u>
Charges to Appropriations (Outflows):				
General government	1,883,295	1,902,295	1,686,086	216,209
Public safety	2,224,996	2,226,173	2,086,296	139,877
Public services	1,494,450	1,546,565	1,378,284	168,281
Health and welfare	3,700	3,700	5,404	(1,704)
Leisure services	1,089,240	1,089,240	958,715	130,525
Cemeteries	97,700	97,700	86,728	10,972
Education	10,868,138	10,868,138	10,810,263	57,875
County tax	1,284,567	1,284,567	1,284,567	-
Debt service:				
Principal	557,228	557,228	557,592	(364)
Interest	152,410	152,410	140,700	11,710
Capital improvements	646,000	802,972	281,455	521,517
MCSWC assessment	215,645	215,645	215,645	-
TIF financing	-	-	-	-
Unclassified	200,065	200,065	95,813	104,252
Transfers to other funds	301,925	323,186	323,186	-
Total Charges to Appropriations	<u>21,019,359</u>	<u>21,269,884</u>	<u>19,910,734</u>	<u>1,359,150</u>
Budgetary Fund Balance, June 30	<u>\$ 3,377,999</u>	<u>\$ 3,127,474</u>	<u>\$ 4,765,672</u>	<u>\$ 1,638,198</u>
Utilization of assigned fund balance	<u>\$ -</u>	<u>\$ 150,525</u>	<u>\$ -</u>	<u>\$ (150,525)</u>
	<u>\$ -</u>	<u>\$ 150,525</u>	<u>\$ -</u>	<u>\$ (150,525)</u>

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

TOWN OF CAMDEN, MAINE

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST 10 FISCAL YEARS*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>PLD Plan:</u>				
Proportion of the net pension liability	0.41%	0.44%	0.42%	0.40%
Proportionate share of the net pension liability	\$ 1,671,310	\$ 2,337,680	\$ 1,329,107	\$ 615,806
Covered-employee payroll	2,208,782	2,319,694	2,183,154	2,134,299
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	75.67%	100.78%	60.88%	28.85%
Plan fiduciary net position as a percentage of the total pension liability	86.43%	81.61%	88.27%	94.10%

* The amounts presented for each fiscal year were determined as of June 30, and are for those years for which information is available.

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

TOWN OF CAMDEN, MAINE

SCHEDULE OF CONTRIBUTIONS - PENSIONS
LAST 10 FISCAL YEARS*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>PLD Plan:</u>				
Contractually required contribution	\$ 245,476	\$ 208,744	\$ 206,453	\$ 170,286
Contributions in relation to the contractually required contribution	<u>(245,476)</u>	<u>(208,744)</u>	<u>(206,453)</u>	<u>(170,286)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	2,523,183	\$ 2,208,782	\$ 2,319,694	\$ 2,183,154
Contributions as a percentage of covered- employee payroll	9.73%	9.45%	8.90%	7.80%

* The amounts presented for each fiscal year were determined as of June 30, and are for those years for which information is available.

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

TOWN OF CAMDEN, MAINE

SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB
LIABILITY - GROUP LIFE
LAST 10 FISCAL YEARS*

	2018	2017
<u>PLD Life Insurance:</u>		
Proportion of the net OPEB liability	0.26%	0.23%
Town's proportionate share of the net OPEB liability	\$ 43,415	\$ 52,765
State's proportionate share of the net OPEB liability associated with the Town	-	-
Total	\$ 43,415	\$ 52,765
Covered-employee payroll	\$ 2,208,782	\$ 2,319,694
Proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	1.97%	2.27%
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%

* The amounts presented for each fiscal year were determined as of June 30 and are for those years for which information is available.

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

TOWN OF CAMDEN, MAINE

SCHEDULE OF CHANGES IN NET OPEB LIABILITY - HEALTH PLAN
FOR THE YEAR ENDED JUNE 30, 2018

	Increase (Decrease)		
	Net OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at 1/1/17 (Reporting December 31, 2017)	\$ 351,634	\$ -	\$ 351,634
Changes for the year:			
Service cost	13,739	-	13,739
Interest	13,661	-	13,661
Changes of benefits	-	-	-
Differences between expected and actual experience	(6,174)	-	(6,174)
Changes of assumptions	58,675	-	58,675
Contributions - employer	-	8,032	(8,032)
Contributions - member	-	-	-
Net investment income	-	-	-
Benefit payments	(8,032)	(8,032)	-
Administrative expense	-	-	-
Net changes	71,869	-	71,869
Balances at 1/1/18 (Reporting December 31, 2018)	<u>\$ 423,503</u>	<u>\$ -</u>	<u>\$ 423,503</u>

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

TOWN OF CAMDEN, MAINE

SCHEDULE OF CHANGES IN NET OPEB LIABILITY
AND RELATED RATIOS - HEALTH PLAN
LAST 10 FISCAL YEARS*

	2018
<u>Total OPEB liability</u>	
Service cost (BOY)	13,739
Interest (includes interest on service cost)	13,661
Changes of benefit terms	-
Differences between expected and actual experience	(6,174)
Changes of assumptions	58,675
Benefit payments, including refunds of member contributions	-
Net change in total OPEB liability	\$ 79,901
Total OPEB liability - beginning	\$ 351,634
Total OPEB liability - ending	\$ 431,535
<u>Plan fiduciary net position</u>	
Contributions - employer	8,032
Contributions - member	-
Net investment income	-
Benefit payments, including refunds of member contributions	(8,032)
Administrative expense	-
Net change in fiduciary net position	-
Plan fiduciary net position - beginning	\$ -
Plan fiduciary net position - ending	\$ -
Net OPEB liability - ending	\$ 431,535
Plan fiduciary net position as a percentage of the total OPEB liability	-
Covered employee payroll	\$ 2,422,695
Net OPEB liability as a percentage of covered payroll	17.8%

* The amounts presented for each fiscal year are for those years for which information is available.

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

SCHEDULE 7

TOWN OF CAMDEN, MAINE

SCHEDULE OF CONTRIBUTIONS - OPEB - GROUP LIFE AND HEALTH
LAST 10 FISCAL YEARS*

	<u>2018</u>	<u>2017</u>
<u>PLD Life Insurance:</u>		
Contractually required contribution	\$ -	\$ -
Contributions in relation to the contractually required contribution	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 2,523,183	\$ 2,208,782
Contributions as a percentage of covered-employee payroll	0.00%	0.00%

* The amounts presented for each fiscal year are for those years for which information is available.

	<u>2018</u>
<u>MMEHT:</u>	
Employer contributions	\$ 8,032
Benefit payments	<u>(8,032)</u>
Contribution deficiency (excess)	<u>\$ -</u>
Covered-employee payroll	\$ 2,422,695
Contributions as a percentage of covered-employee payroll	0.3%

* The amounts presented for each fiscal year are for those years for which information is available.

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

TOWN OF CAMDEN, MAINE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2018

Changes of Assumptions

Maine Municipal Health Trust:

The funding method was changed from Projected Unit Credit funding to Entry Age Normal funding method.

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

Other Supplementary Information

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

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

TOWN OF CAMDEN, MAINE

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
 BUDGET AND ACTUAL - GENERAL FUND REVENUES
 FOR THE YEAR ENDED JUNE 30, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
General tax revenues:				
Property taxes	\$ 18,445,440	\$ 18,445,440	\$ 18,427,400	\$ (18,040)
Excise taxes	952,000	952,000	1,084,682	132,682
Intergovernmental revenues:				
State revenue sharing	179,554	179,554	182,443	2,889
Tree growth reimbursement	7,800	7,800	9,741	1,941
Vet exemption reimbursement	6,300	6,300	5,046	(1,254)
Homestead reimbursement	145,410	145,410	149,407	3,997
BETE reimbursement	16,765	16,765	16,877	112
Local road assistance	54,500	54,500	55,220	720
Snowmobile revenue	400	400	430	30
Pumpout boat revenue	19,000	19,000	15,441	(3,559)
State park reimbursement	8,000	8,000	14,937	6,937
Licenses and permits				
Animal control fees	2,200	2,200	3,448	1,248
Town clerk fees	13,000	13,000	12,242	(758)
Plumbing fees	8,000	8,000	6,968	(1,032)
Building permits	60,000	60,000	69,450	9,450
Administrative fees	16,000	16,000	16,236	236
Cable/TV franchise	71,000	71,000	78,052	7,052
Electrical fees	4,500	4,500	5,847	1,347
Other fees	600	600	1,309	709
Charges for services:				
Police revenue	60,000	60,000	71,184	11,184
Parking tickets	16,000	16,000	13,456	(2,544)
Parks & recreation revenue	27,000	27,000	36,350	9,350
Cemetery maintenance	55,000	55,000	50,000	(5,000)
Harbor park mowing	6,500	6,500	13,000	6,500
Yacht club lease	21,500	21,500	22,214	714
Public landing lease	3,000	3,000	2,077	(923)
Opera house revenues	80,000	80,000	85,582	5,582
Harbor revenue	250,000	250,000	287,163	37,163
Fire revenue	-	-	88	88
Other	10,046	10,046	14,266	4,220
Investment income:				
Investment income	5,000	5,000	54,733	49,733
Other income:				
Tax interest	34,000	34,000	43,758	9,758
Lien interest & costs	14,500	14,500	21,831	7,331
Other income	31,267	31,267	101,529	70,262
Bond proceeds	408,000	408,000	408,000	-
Use of reserve funds	69,077	69,077	-	(69,077)
Use of TIF reserves	18,000	18,000	18,000	-
Total revenues	\$ 21,119,359	\$ 21,119,359	\$ 21,398,407	\$ 279,048

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

TOWN OF CAMDEN, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2018

	Budget	Budget Adjustments	Final Available	Actual	Variance Positive (Negative)
General government					
Administration, assessing & finance	\$ 680,400	\$ -	\$ 680,400	\$ 692,306	\$ (11,906)
Professional services	50,000	-	50,000	15,734	34,266
Planning & development	374,900	16,000	390,900	321,888	69,012
Information technology	80,700	-	80,700	66,192	14,508
Insurance	289,000	-	289,000	233,284	55,716
Opera House/Town offices	122,050	-	122,050	79,283	42,767
Opera House/auditorium	282,650	-	282,650	276,200	6,450
Committees	3,595	3,000	6,595	1,199	5,396
	<u>1,883,295</u>	<u>19,000</u>	<u>1,902,295</u>	<u>1,686,086</u>	<u>216,209</u>
Public safety					
Police department	1,184,200	-	1,184,200	1,124,488	59,712
County dispatch	131,562	-	131,562	131,562	-
Fire department	524,690	1,177	525,867	461,206	64,661
Public safety building	42,600	-	42,600	33,410	9,190
Hydrant rental	246,500	-	246,500	244,842	1,658
EMS service	34,444	-	34,444	32,252	2,192
EOC	500	-	500	500	-
Street lights	60,500	-	60,500	58,036	2,464
	<u>2,224,996</u>	<u>1,177</u>	<u>2,226,173</u>	<u>2,086,296</u>	<u>139,877</u>
Public services					
Public works	1,035,450	-	1,035,450	1,016,246	19,204
Street and sidewalks	427,500	52,115	479,615	329,969	149,646
Parking	3,500	-	3,500	4,040	(540)
Tree program	28,000	-	28,000	28,029	(29)
	<u>1,494,450</u>	<u>52,115</u>	<u>1,546,565</u>	<u>1,378,284</u>	<u>168,281</u>

TOWN OF CAMDEN, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2018

	Budget	Budget Adjustments	Final Available	Actual	Variance Positive (Negative)
Health and welfare					
General assistance	-	-	-	1,704	(1,704)
Provider agencies	3,700	-	3,700	3,700	-
	<u>3,700</u>	<u>-</u>	<u>3,700</u>	<u>5,404</u>	<u>(1,704)</u>
Leisure services					
Community services	25,500	-	25,500	25,500	-
Camden Public Library	435,000	-	435,000	435,000	-
Harbor and landing	192,150	-	192,150	162,382	29,768
Recreation	150,750	-	150,750	136,660	14,090
Parks	261,140	-	261,140	187,878	73,262
Dams	24,700	-	24,700	11,295	13,405
	<u>1,089,240</u>	<u>-</u>	<u>1,089,240</u>	<u>958,715</u>	<u>130,525</u>
Cemeteries					
Cemetery association	40,000	-	40,000	40,000	-
Cemetery maintenance	57,700	-	57,700	46,728	10,972
	<u>97,700</u>	<u>-</u>	<u>97,700</u>	<u>86,728</u>	<u>10,972</u>
Education	<u>10,868,138</u>	<u>-</u>	<u>10,868,138</u>	<u>10,810,263</u>	<u>57,875</u>
County tax	<u>1,284,567</u>	<u>-</u>	<u>1,284,567</u>	<u>1,284,567</u>	<u>-</u>
Debt service					
Principal	557,228	-	557,228	557,592	(364)
Interest	152,410	-	152,410	140,700	11,710
	<u>709,638</u>	<u>-</u>	<u>709,638</u>	<u>698,292</u>	<u>11,346</u>

TOWN OF CAMDEN, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2018

	Budget	Budget Adjustments	Final Available	Actual	Variance Positive (Negative)
Capital improvements					
General government	-	26,972	26,972	18,972	8,000
Highway/street/bridges	646,000	130,000	776,000	262,483	513,517
	<u>646,000</u>	<u>156,972</u>	<u>802,972</u>	<u>281,455</u>	<u>521,517</u>
MCSWC assessment	<u>215,645</u>	<u>-</u>	<u>215,645</u>	<u>215,645</u>	<u>-</u>
Unclassified					
Contingency	40,000	-	40,000	15,812	24,188
Overlay	160,065	-	160,065	80,001	80,064
	<u>200,065</u>	<u>-</u>	<u>200,065</u>	<u>95,813</u>	<u>104,252</u>
Transfers to other funds					
Capital projects funds	301,925	21,261	323,186	323,186	-
	<u>301,925</u>	<u>21,261</u>	<u>323,186</u>	<u>323,186</u>	<u>-</u>
Total Expenditures	<u>\$ 21,019,359</u>	<u>\$ 250,525</u>	<u>\$ 21,269,884</u>	<u>\$ 19,910,734</u>	<u>\$ 1,359,150</u>

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

TOWN OF CAMDEN, MAINE

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 8,596	\$ -	\$ 456,034	\$ 464,630
Investments	-	-	751,564	751,564
Due from other funds	521,040	877,549	183,002	1,581,591
TOTAL ASSETS	<u>\$ 529,636</u>	<u>\$ 877,549</u>	<u>\$ 1,390,600</u>	<u>\$ 2,797,785</u>
LIABILITIES				
Accounts payable	\$ 97	\$ -	\$ -	\$ 97
Due to other funds	398,317	7,451	48,401	454,169
TOTAL LIABILITIES	<u>398,414</u>	<u>7,451</u>	<u>48,401</u>	<u>454,266</u>
FUND BALANCES				
Nonspendable	-	-	146,156	146,156
Restricted	-	-	1,196,043	1,196,043
Committed	529,636	877,549	-	1,407,185
Assigned	-	-	-	-
Unassigned	(398,414)	(7,451)	-	(405,865)
TOTAL FUND BALANCES	<u>131,222</u>	<u>870,098</u>	<u>1,342,199</u>	<u>2,343,519</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 529,636</u>	<u>\$ 877,549</u>	<u>\$ 1,390,600</u>	<u>\$ 2,797,785</u>

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

TOWN OF CAMDEN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
REVENUES				
Intergovernmental revenues	\$ 15,808	\$ -	\$ -	\$ 15,808
Investment income, net of unrealized gains/(losses)	-	-	94,267	94,267
Other income	252,431	12,807	-	265,238
TOTAL REVENUES	<u>268,239</u>	<u>12,807</u>	<u>94,267</u>	<u>375,313</u>
EXPENDITURES				
Other	297,151	126,288	19,055	442,494
TOTAL EXPENDITURES	<u>297,151</u>	<u>126,288</u>	<u>19,055</u>	<u>442,494</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(28,912)</u>	<u>(113,481)</u>	<u>75,212</u>	<u>(67,181)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	137,925	185,261	-	323,186
Transfers (out)	(18,000)	-	-	(18,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>119,925</u>	<u>185,261</u>	<u>-</u>	<u>305,186</u>
NET CHANGE IN FUND BALANCES	91,013	71,780	75,212	238,005
FUND BALANCES, JULY 1, RESTATED	<u>40,209</u>	<u>798,318</u>	<u>1,266,987</u>	<u>2,105,514</u>
FUND BALANCES, JUNE 30	<u>\$ 131,222</u>	<u>\$ 870,098</u>	<u>\$ 1,342,199</u>	<u>\$ 2,343,519</u>

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

Special Revenue Funds

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

TOWN OF CAMDEN, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018

	Tannery Riverwalk	Route 105 Sidewalk Extension	Ship/Hoist Walkway Grant	Wellness Grant	Opera House Piano	PD MDEA	FM Global Fire Prevention
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	-	-	-	1,103	2,300	6,705	572
TOTAL ASSETS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,103</u>	<u>\$ 2,300</u>	<u>\$ 6,705</u>	<u>\$ 572</u>
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	2,525	9,620	112,074	-	-	-	-
TOTAL LIABILITIES	<u>2,525</u>	<u>9,620</u>	<u>112,074</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	-	-	-	1,103	2,300	6,705	572
Assigned	-	-	-	-	-	-	-
Unassigned	(2,525)	(9,620)	(112,074)	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	<u>(2,525)</u>	<u>(9,620)</u>	<u>(112,074)</u>	<u>1,103</u>	<u>2,300</u>	<u>6,705</u>	<u>572</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,103</u>	<u>\$ 2,300</u>	<u>\$ 6,705</u>	<u>\$ 572</u>

TOWN OF CAMDEN, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2018

	Lupine Terrance Grant	Project Canopy	Shore and Harbor Grant	Windjammer Festival	Community Events	Town Clock	Maine Outdoor Heritage Grant
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	-	-	1,155	14,069	5,079	-	605
TOTAL ASSETS	\$ -	\$ -	\$ 1,155	\$ 14,069	\$ 5,079	\$ -	\$ 605
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	50	10,165	-	-	-	75,000	-
TOTAL LIABILITIES	50	10,165	-	-	-	75,000	-
FUND BALANCES (DEFICITS)							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	-	-	1,155	14,069	5,079	-	605
Assigned	-	-	-	-	-	-	-
Unassigned	(50)	(10,165)	-	-	-	(75,000)	-
TOTAL FUND BALANCES (DEFICITS)	(50)	(10,165)	1,155	14,069	5,079	(75,000)	605
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	\$ -	\$ -	\$ 1,155	\$ 14,069	\$ 5,079	\$ -	\$ 605

TOWN OF CAMDEN, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018

	Harbor Benches	Harbor/ Watershed Stewardship	Assistance Heating & Utility	Opera House Capital Campaign	Garden Club	Oak Hill Cemetery Memorial	Opera House Productions
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	3,000	2,500	1,506	13,537	4,783	-	-
TOTAL ASSETS	\$ 3,000	\$ 2,500	\$ 1,506	\$ 13,537	\$ 4,783	\$ -	\$ -
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	17,152	15,069
TOTAL LIABILITIES	-	-	-	-	-	17,152	15,069
FUND BALANCES (DEFICITS)							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	3,000	2,500	1,506	13,537	4,783	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	(17,152)	(15,069)
TOTAL FUND BALANCES (DEFICITS)	3,000	2,500	1,506	13,537	4,783	(17,152)	(15,069)
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	\$ 3,000	\$ 2,500	\$ 1,506	\$ 13,537	\$ 4,783	\$ -	\$ -

TOWN OF CAMDEN, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2018

	Trash Bag Sales	Tamarach Trail Subdivision	Resident Shade Trees	MCSW Contract Bookkeeping	Parks Memorial Project	Honor Roll Village Green	APAP Grant
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	2,875	2,075	2,990	10,524	426	2,573	697
TOTAL ASSETS	<u>\$ 2,875</u>	<u>\$ 2,075</u>	<u>\$ 2,990</u>	<u>\$ 10,524</u>	<u>\$ 426</u>	<u>\$ 2,573</u>	<u>\$ 697</u>
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	2,875	2,075	2,990	10,524	426	2,573	697
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	<u>2,875</u>	<u>2,075</u>	<u>2,990</u>	<u>10,524</u>	<u>426</u>	<u>2,573</u>	<u>697</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 2,875</u>	<u>\$ 2,075</u>	<u>\$ 2,990</u>	<u>\$ 10,524</u>	<u>\$ 426</u>	<u>\$ 2,573</u>	<u>\$ 697</u>

TOWN OF CAMDEN, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2018

	Escrows Accounts	Police Career Development	TIF Business Highway	TIF Downtown	MT Battie Tower Fund	Winter Family Fun
ASSETS						
Cash and cash equivalents	\$ 8,596	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	27	66,556	12,412	317,579	23,706	632
TOTAL ASSETS	<u>\$ 8,623</u>	<u>\$ 66,556</u>	<u>\$ 12,412</u>	<u>\$ 317,579</u>	<u>\$ 23,706</u>	<u>\$ 632</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	8,623	66,556	12,412	317,579	23,706	632
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	<u>8,623</u>	<u>66,556</u>	<u>12,412</u>	<u>317,579</u>	<u>23,706</u>	<u>632</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)						
	<u>\$ 8,623</u>	<u>\$ 66,556</u>	<u>\$ 12,412</u>	<u>\$ 317,579</u>	<u>\$ 23,706</u>	<u>\$ 632</u>

TOWN OF CAMDEN, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2018

	KNX	FICA/ Medicare	Gasoline	Plastic Bag Study	Opera House Annual Appeal	Connect Camden
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	-	-	-	182	8,728	663
TOTAL ASSETS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 182</u>	<u>\$ 8,728</u>	<u>\$ 663</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	835	4,657	91,738	-	-	-
TOTAL LIABILITIES	<u>835</u>	<u>4,657</u>	<u>91,738</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	-	-	-	182	8,728	663
Assigned	-	-	-	-	-	-
Unassigned	(835)	(4,657)	(91,738)	-	-	-
TOTAL FUND BALANCES (DEFICITS)	<u>(835)</u>	<u>(4,657)</u>	<u>(91,738)</u>	<u>182</u>	<u>8,728</u>	<u>663</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 182</u>	<u>\$ 8,728</u>	<u>\$ 663</u>

TOWN OF CAMDEN, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2018

	Fire Safety Education	Tannery Park	Christmas By the Sea	Fuel Surcharge	Irene Laite Memorial Fund	Opera House Rentals
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	4,132	100	776	1,977	4,130	-
TOTAL ASSETS	<u>\$ 4,132</u>	<u>\$ 100</u>	<u>\$ 776</u>	<u>\$ 1,977</u>	<u>\$ 4,130</u>	<u>\$ -</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	19,590
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,590</u>
FUND BALANCES (DEFICITS)						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	4,132	100	776	1,977	4,130	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	(19,590)
TOTAL FUND BALANCES (DEFICITS)	<u>4,132</u>	<u>100</u>	<u>776</u>	<u>1,977</u>	<u>4,130</u>	<u>(19,590)</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 4,132</u>	<u>\$ 100</u>	<u>\$ 776</u>	<u>\$ 1,977</u>	<u>\$ 4,130</u>	<u>\$ -</u>

TOWN OF CAMDEN, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018

	Police Donations	Fire Donations	ADA Kayak Donation	Seabright Hydro Fund	Total
ASSETS					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 8,596
Due from other funds	208	147	11	-	521,040
TOTAL ASSETS	<u>\$ 208</u>	<u>\$ 147</u>	<u>\$ 11</u>	<u>\$ -</u>	<u>\$ 529,636</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ 97	\$ 97
Due to other funds	-	-	-	39,842	398,317
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,939</u>	<u>398,414</u>
FUND BALANCES (DEFICITS)					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	208	147	11	-	529,636
Assigned	-	-	-	-	-
Unassigned	-	-	-	(39,939)	(398,414)
TOTAL FUND BALANCES (DEFICITS)	<u>208</u>	<u>147</u>	<u>11</u>	<u>(39,939)</u>	<u>131,222</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 208</u>	<u>\$ 147</u>	<u>\$ 11</u>	<u>\$ -</u>	<u>\$ 529,636</u>

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

TOWN OF CAMDEN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2018

	Tannery Riverwalk	Route 105 Sidewalk Extension	Ship/Hoist Walkway Grant	Wellness Grant	Opera House Piano	PD MDEA	FM Global Fire Prevention
REVENUES							
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000
Other income	-	-	-	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,000</u>
EXPENDITURES							
Other	-	-	-	43	-	-	2,428
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>43</u>	<u>-</u>	<u>-</u>	<u>2,428</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>(43)</u>	<u>-</u>	<u>-</u>	<u>572</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	-	-	-	(43)	-	-	572
FUND BALANCES (DEFICITS), JULY 1	<u>(2,525)</u>	<u>(9,620)</u>	<u>(112,074)</u>	<u>1,146</u>	<u>2,300</u>	<u>6,705</u>	<u>-</u>
FUND BALANCES (DEFICITS), JUNE 30	<u>\$ (2,525)</u>	<u>\$ (9,620)</u>	<u>\$ (112,074)</u>	<u>\$ 1,103</u>	<u>\$ 2,300</u>	<u>\$ 6,705</u>	<u>\$ 572</u>

TOWN OF CAMDEN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2018

	Lupine Terrance Grant	Project Canopy	Shore and Harbor Grant	Windjammer Festival	Community Events	Town Clock	Maine Outdoor Heritage Grant
REVENUES							
Intergovernmental revenues	\$ -	\$ 4,611	\$ -	\$ -	\$ -	\$ -	\$ 5,000
Other income	-	-	-	21,467	-	-	-
TOTAL REVENUES	-	4,611	-	21,467	-	-	5,000
EXPENDITURES							
Other	-	2,568	-	10,862	-	-	4,395
TOTAL EXPENDITURES	-	2,568	-	10,862	-	-	4,395
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	2,043	-	10,605	-	-	605
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES (DEFICITS)	-	2,043	-	10,605	-	-	605
FUND BALANCES (DEFICITS), JULY 1	(50)	(12,208)	1,155	3,464	5,079	(75,000)	-
FUND BALANCES (DEFICITS), JUNE 30	<u>\$ (50)</u>	<u>\$ (10,165)</u>	<u>\$ 1,155</u>	<u>\$ 14,069</u>	<u>\$ 5,079</u>	<u>\$ (75,000)</u>	<u>\$ 605</u>

TOWN OF CAMDEN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2018

	Harbor Benches	Harbor/ Watershed Stewardship	Assistance Heating & Utility	Opera House Capital Campaign	Garden Club	Oak Hill Cemetery Memorial	Opera House Productions
REVENUES							
Intergovernmental revenues	\$ -	\$ 2,500	\$ -	\$ -	\$ -	\$ -	\$ -
Other income	600	-	1,000	-	-	-	65,397
TOTAL REVENUES	<u>600</u>	<u>2,500</u>	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>65,397</u>
EXPENDITURES							
Other	-	-	1,344	-	1,608	6,258	54,507
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>1,344</u>	<u>-</u>	<u>1,608</u>	<u>6,258</u>	<u>54,507</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>600</u>	<u>2,500</u>	<u>(344)</u>	<u>-</u>	<u>(1,608)</u>	<u>(6,258)</u>	<u>10,890</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	600	2,500	(344)	-	(1,608)	(6,258)	10,890
FUND BALANCES (DEFICITS), JULY 1	<u>2,400</u>	<u>-</u>	<u>1,850</u>	<u>13,537</u>	<u>6,391</u>	<u>(10,894)</u>	<u>(25,959)</u>
FUND BALANCES (DEFICITS), JUNE 30	<u>\$ 3,000</u>	<u>\$ 2,500</u>	<u>\$ 1,506</u>	<u>\$ 13,537</u>	<u>\$ 4,783</u>	<u>\$ (17,152)</u>	<u>\$ (15,069)</u>

TOWN OF CAMDEN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2018

	Trash Bag Sales	Tamarach Trail Subdivision	Resident Shade Trees	MCSW Contract Bookkeeping	Parks Memorial Project	Honor Roll Village Green	APAP Grant
REVENUES							
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 697
Other income	1,525	-	2,100	-	-	-	-
TOTAL REVENUES	<u>1,525</u>	<u>-</u>	<u>2,100</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>697</u>
EXPENDITURES							
Other	1,069	-	-	-	-	-	-
TOTAL EXPENDITURES	<u>1,069</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>456</u>	<u>-</u>	<u>2,100</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>697</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	456	-	2,100	-	-	-	697
FUND BALANCES (DEFICITS), JULY 1	<u>2,419</u>	<u>2,075</u>	<u>890</u>	<u>10,524</u>	<u>426</u>	<u>2,573</u>	<u>-</u>
FUND BALANCES (DEFICITS), JUNE 30	<u>\$ 2,875</u>	<u>\$ 2,075</u>	<u>\$ 2,990</u>	<u>\$ 10,524</u>	<u>\$ 426</u>	<u>\$ 2,573</u>	<u>\$ 697</u>

TOWN OF CAMDEN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2018

	Escrows Accounts	Police Career Development	TIF Business Highway	TIF Downtown	MT Battie Tower Fund	Winter Family Fun
REVENUES						
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other income	-	15,000	-	-	115	-
TOTAL REVENUES	-	15,000	-	-	115	-
EXPENDITURES						
Other	-	200	-	-	319	-
TOTAL EXPENDITURES	-	200	-	-	319	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	14,800	-	-	(204)	-
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	210	137,715	-	-
Transfers (out)	-	-	-	(18,000)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	210	119,715	-	-
NET CHANGE IN FUND BALANCES (DEFICITS)	-	14,800	210	119,715	(204)	-
FUND BALANCES (DEFICITS), JULY 1	8,623	51,756	12,202	197,864	23,910	632
FUND BALANCES (DEFICITS), JUNE 30	\$ 8,623	\$ 66,556	\$ 12,412	\$ 317,579	\$ 23,706	\$ 632

TOWN OF CAMDEN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2018

	KNX	FICA/ Medicare	Gasoline	Plastic Bag Study	Opera House Annual Appeal	Connect Camden
REVENUES						
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other income	-	-	121,897	500	3,386	1,249
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>121,897</u>	<u>500</u>	<u>3,386</u>	<u>1,249</u>
EXPENDITURES						
Other	-	-	155,286	318	6,361	586
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>155,286</u>	<u>318</u>	<u>6,361</u>	<u>586</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>(33,389)</u>	<u>182</u>	<u>(2,975)</u>	<u>663</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	-	-	(33,389)	182	(2,975)	663
FUND BALANCES (DEFICITS), JULY 1	<u>(835)</u>	<u>(4,657)</u>	<u>(58,349)</u>	<u>-</u>	<u>11,703</u>	<u>-</u>
FUND BALANCES (DEFICITS), JUNE 30	<u><u>\$ (835)</u></u>	<u><u>\$ (4,657)</u></u>	<u><u>\$ (91,738)</u></u>	<u><u>\$ 182</u></u>	<u><u>\$ 8,728</u></u>	<u><u>\$ 663</u></u>

TOWN OF CAMDEN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2018

	Fire Safety Education	Tannery Park	Christmas By the Sea	Fuel Surcharge	Irene Laite Memorial Fund	Opera House Rentals
REVENUES						
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other income	-	100	4,650	1,977	-	-
TOTAL REVENUES	<u>-</u>	<u>100</u>	<u>4,650</u>	<u>1,977</u>	<u>-</u>	<u>-</u>
EXPENDITURES						
Other	465	-	3,874	-	-	19,590
TOTAL EXPENDITURES	<u>465</u>	<u>-</u>	<u>3,874</u>	<u>-</u>	<u>-</u>	<u>19,590</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(465)</u>	<u>100</u>	<u>776</u>	<u>1,977</u>	<u>-</u>	<u>(19,590)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	(465)	100	776	1,977	-	(19,590)
FUND BALANCES (DEFICITS), JULY 1	<u>4,597</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,130</u>	<u>-</u>
FUND BALANCES (DEFICITS), JUNE 30	<u>\$ 4,132</u>	<u>\$ 100</u>	<u>\$ 776</u>	<u>\$ 1,977</u>	<u>\$ 4,130</u>	<u>\$ (19,590)</u>

TOWN OF CAMDEN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2018

	Police Donations	Fire Donations	ADA Kayak Donation	Seabright Hydro Fund	Total
REVENUES					
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ -	\$ 15,808
Other income	-	147	11,321	-	252,431
TOTAL REVENUES	<u>-</u>	<u>147</u>	<u>11,321</u>	<u>-</u>	<u>268,239</u>
EXPENDITURES					
Other	-	-	25,070	-	297,151
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>25,070</u>	<u>-</u>	<u>297,151</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>147</u>	<u>(13,749)</u>	<u>-</u>	<u>(28,912)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	137,925
Transfers (out)	-	-	-	-	(18,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>119,925</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	-	147	(13,749)	-	91,013
FUND BALANCES (DEFICITS), JULY 1	<u>208</u>	<u>-</u>	<u>13,760</u>	<u>(39,939)</u>	<u>40,209</u>
FUND BALANCES (DEFICITS), JUNE 30	<u>\$ 208</u>	<u>\$ 147</u>	<u>\$ 11</u>	<u>\$ (39,939)</u>	<u>\$ 131,222</u>

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

Capital Projects Funds

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

TOWN OF CAMDEN, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2018

	Accrued Benefits	Opera House Maintenance	Economic Development	Conservation	Computer IT	TIF	Energy Conservation
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	15,390	55,678	-	3,692	21,945	30,000	26,915
TOTAL ASSETS	\$ 15,390	\$ 55,678	\$ -	\$ 3,692	\$ 21,945	\$ 30,000	\$ 26,915
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	1,771	-	-	-	-
TOTAL LIABILITIES	-	-	1,771	-	-	-	-
FUND BALANCES (DEFICITS)							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	15,390	55,678	-	3,692	21,945	30,000	26,915
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	(1,771)	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	15,390	55,678	(1,771)	3,692	21,945	30,000	26,915
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	\$ 15,390	\$ 55,678	\$ -	\$ 3,692	\$ 21,945	\$ 30,000	\$ 26,915

TOWN OF CAMDEN, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2018

	Police Equipment	Fire Equipment	Fire Truck Reserve	Public Safety Building	Storm Sewer	Parking	Street Improvements	Public Landing Restrooms
ASSETS								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	7,613	55,719	15,000	5,850	81,731	47,227	50,000	1,261
TOTAL ASSETS	\$ 7,613	\$ 55,719	\$ 15,000	\$ 5,850	\$ 81,731	\$ 47,227	\$ 50,000	\$ 1,261
LIABILITIES								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-	-	-	-
FUND BALANCES (DEFICITS)								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-
Committed	7,613	55,719	15,000	5,850	81,731	47,227	50,000	1,261
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	7,613	55,719	15,000	5,850	81,731	47,227	50,000	1,261
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	\$ 7,613	\$ 55,719	\$ 15,000	\$ 5,850	\$ 81,731	\$ 47,227	\$ 50,000	\$ 1,261

TOWN OF CAMDEN, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2018

	<u>Winter Maintenance</u>	<u>Fuel Depot Maintenance</u>	<u>Washington St Sidewalks</u>	<u>Public Works Equipment</u>	<u>Parks Equipment</u>	<u>Tennis Court</u>	<u>Parks and Open Space</u>	<u>Harbor Dredging</u>
ASSETS								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	106,889	-	31,158	-	16,838	24,777	13,773	30,450
TOTAL ASSETS	<u>\$ 106,889</u>	<u>\$ -</u>	<u>\$ 31,158</u>	<u>\$ -</u>	<u>\$ 16,838</u>	<u>\$ 24,777</u>	<u>\$ 13,773</u>	<u>\$ 30,450</u>
LIABILITIES								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	4,699	-	981	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>4,699</u>	<u>-</u>	<u>981</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-
Committed	106,889	-	31,158	-	16,838	24,777	13,773	30,450
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	(4,699)	-	(981)	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	<u>106,889</u>	<u>(4,699)</u>	<u>31,158</u>	<u>(981)</u>	<u>16,838</u>	<u>24,777</u>	<u>13,773</u>	<u>30,450</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 106,889</u>	<u>\$ -</u>	<u>\$ 31,158</u>	<u>\$ -</u>	<u>\$ 16,838</u>	<u>\$ 24,777</u>	<u>\$ 13,773</u>	<u>\$ 30,450</u>

TOWN OF CAMDEN, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2018

	Camden Dam	Harbor Bench Maintenance	Harbor Projects	Piling Replacement	Camden Lincolnville Dam	Parks Memorial Projects	Public Landing Improvements	Total
ASSETS								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	17,398	18,522	90,434	20,000	47,914	1,375	40,000	877,549
TOTAL ASSETS	<u>\$ 17,398</u>	<u>\$ 18,522</u>	<u>\$ 90,434</u>	<u>\$ 20,000</u>	<u>\$ 47,914</u>	<u>\$ 1,375</u>	<u>\$ 40,000</u>	<u>\$ 877,549</u>
LIABILITIES								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-	7,451
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,451</u>
FUND BALANCES (DEFICITS)								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-
Committed	17,398	18,522	90,434	20,000	47,914	1,375	40,000	877,549
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	(7,451)
TOTAL FUND BALANCES (DEFICITS)	<u>17,398</u>	<u>18,522</u>	<u>90,434</u>	<u>20,000</u>	<u>47,914</u>	<u>1,375</u>	<u>40,000</u>	<u>870,098</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 17,398</u>	<u>\$ 18,522</u>	<u>\$ 90,434</u>	<u>\$ 20,000</u>	<u>\$ 47,914</u>	<u>\$ 1,375</u>	<u>\$ 40,000</u>	<u>\$ 877,549</u>

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

TOWN OF CAMDEN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2018

	Accrued Benefits	Opera House Maintenance	Economic Development	Conservation	Computer IT	TIF	Energy Conservation
REVENUES							
Other income	\$ -	\$ 3,205	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	<u>-</u>	<u>3,205</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES							
Other	29,540	59,913	-	-	-	-	2,162
TOTAL EXPENDITURES	<u>29,540</u>	<u>59,913</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,162</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(29,540)</u>	<u>(56,708)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,162)</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	15,000	45,000	-	-	10,000	-	-
Transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>15,000</u>	<u>45,000</u>	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	<u>(14,540)</u>	<u>(11,708)</u>	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>(2,162)</u>
FUND BALANCES (DEFICITS), JULY 1	<u>29,930</u>	<u>67,386</u>	<u>(1,771)</u>	<u>3,692</u>	<u>11,945</u>	<u>30,000</u>	<u>29,077</u>
FUND BALANCES (DEFICITS), JUNE 30	<u>\$ 15,390</u>	<u>\$ 55,678</u>	<u>\$ (1,771)</u>	<u>\$ 3,692</u>	<u>\$ 21,945</u>	<u>\$ 30,000</u>	<u>\$ 26,915</u>

TOWN OF CAMDEN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2018

	Police Equipment	Fire Equipment	Fire Truck Reserve	Public Safety Building	Storm Sewer	Parking	Street Improvements	Public Landing Restrooms
REVENUES								
Other income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	-	-	-	-	-	-	-	-
EXPENDITURES								
Other	-	6,518	-	-	-	-	-	-
TOTAL EXPENDITURES	-	6,518	-	-	-	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(6,518)	-	-	-	-	-	-
OTHER FINANCING SOURCES (USES)								
Transfers in	-	29,000	-	-	-	-	5,000	1,261
Transfers (out)	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	29,000	-	-	-	-	5,000	1,261
NET CHANGE IN FUND BALANCES (DEFICITS)	-	22,482	-	-	-	-	5,000	1,261
FUND BALANCES (DEFICITS), JULY 1	7,613	33,237	15,000	5,850	81,731	47,227	45,000	-
FUND BALANCES (DEFICITS), JUNE 30	\$ 7,613	\$ 55,719	\$ 15,000	\$ 5,850	\$ 81,731	\$ 47,227	\$ 50,000	\$ 1,261

TOWN OF CAMDEN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2018

	Winter Maintenance	Fuel Depot Maintenance	Washington St Sidewalks	Public Works Equipment	Parks Equipment	Tennis Court	Parks and Open Space	Harbor Dredging
REVENUES								
Other income	\$ -	\$ -	\$ 5,482	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	-	-	5,482	-	-	-	-	-
EXPENDITURES								
Other	-	10,299	6,852	-	-	-	1,280	-
TOTAL EXPENDITURES	-	10,299	6,852	-	-	-	1,280	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(10,299)	(1,370)	-	-	-	(1,280)	-
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	-	20,000
Transfers (out)	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-	-	20,000
NET CHANGE IN FUND BALANCES (DEFICITS)	-	(10,299)	(1,370)	-	-	-	(1,280)	20,000
FUND BALANCES (DEFICITS), JULY 1	106,889	5,600	32,528	(981)	16,838	24,777	15,053	10,450
FUND BALANCES (DEFICITS), JUNE 30	\$ 106,889	\$ (4,699)	\$ 31,158	\$ (981)	\$ 16,838	\$ 24,777	\$ 13,773	\$ 30,450

TOWN OF CAMDEN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2018

	Camden Dam	Harbor Bench Maintenance	Harbor Projects	Piling Replacement	Camden Lincolnville Dam	Parks Memorial Projects	Public Landing Improvements	Total
REVENUES								
Other income	\$ -	\$ 4,120	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,807
TOTAL REVENUES	<u>-</u>	<u>4,120</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,807</u>
EXPENDITURES								
Other	-	4,082	5,642	-	-	-	-	126,288
TOTAL EXPENDITURES	<u>-</u>	<u>4,082</u>	<u>5,642</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>126,288</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>38</u>	<u>(5,642)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(113,481)</u>
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	20,000	20,000	-	-	20,000	185,261
Transfers (out)	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>185,261</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	-	38	14,358	20,000	-	-	20,000	71,780
FUND BALANCES (DEFICITS), JULY 1	<u>17,398</u>	<u>18,484</u>	<u>76,076</u>	<u>-</u>	<u>47,914</u>	<u>1,375</u>	<u>20,000</u>	<u>798,318</u>
FUND BALANCES (DEFICITS), JUNE 30	<u>\$ 17,398</u>	<u>\$ 18,522</u>	<u>\$ 90,434</u>	<u>\$ 20,000</u>	<u>\$ 47,914</u>	<u>\$ 1,375</u>	<u>\$ 40,000</u>	<u>\$ 870,098</u>

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

Permanent Funds

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

TOWN OF CAMDEN, MAINE

COMBINING BALANCE SHEET - NONMAJOR PERMANENT FUNDS
JUNE 30, 2018

	Camden Snow Bowl	Nellie A. Knowton Fund	Oak Hill Cemetery Fund	Camden Public Library Fund	Atlantic Engine Co. # 2 Fund	Village Green Fund
ASSETS						
Cash and cash equivalents	\$ 797	\$ 839	\$ 14,466	\$ 797	\$ 3,584	\$ 114
Investments	23,036	24,270	418,358	23,037	103,665	3,291
Due from other funds	-	-	-	-	-	388
TOTAL ASSETS	<u>\$ 23,833</u>	<u>\$ 25,109</u>	<u>\$ 432,824</u>	<u>\$ 23,834</u>	<u>\$ 107,249</u>	<u>\$ 3,793</u>
LIABILITIES						
Due to other funds	\$ 1,876	\$ 1,951	\$ 30,816	\$ 1,792	\$ 7,676	\$ -
TOTAL LIABILITIES	<u>1,876</u>	<u>1,951</u>	<u>30,816</u>	<u>1,792</u>	<u>7,676</u>	<u>-</u>
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	21,957	23,158	402,008	22,042	99,573	3,793
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>21,957</u>	<u>23,158</u>	<u>402,008</u>	<u>22,042</u>	<u>99,573</u>	<u>3,793</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 23,833</u>	<u>\$ 25,109</u>	<u>\$ 432,824</u>	<u>\$ 23,834</u>	<u>\$ 107,249</u>	<u>\$ 3,793</u>

TOWN OF CAMDEN, MAINE

COMBINING BALANCE SHEET - NONMAJOR PERMANENT FUNDS
JUNE 30, 2018

	Irene F. Laite Fund	Oliver A. Coates Fund	Shadie Niles Fund	French Fund	Lacasse Scholarship Fund	Total
ASSETS						
Cash and cash equivalents	\$ 5,391	\$ 396,712	\$ 21,215	\$ 10	\$ 12,109	\$ 456,034
Investments	155,907	-	-	-	-	751,564
Due from other funds	29,268	153,346	-	-	-	183,002
TOTAL ASSETS	\$ 190,566	\$ 550,058	\$ 21,215	\$ 10	\$ 12,109	\$ 1,390,600
LIABILITIES						
Due to other funds	\$ -	\$ -	\$ 3,774	\$ 355	\$ 161	\$ 48,401
TOTAL LIABILITIES	-	-	3,774	355	161	48,401
FUND BALANCES						
Nonspendable	146,156	-	-	-	-	146,156
Restricted	44,410	550,058	17,441	(345)	11,948	1,196,043
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	190,566	550,058	17,441	(345)	11,948	1,342,199
TOTAL LIABILITIES AND FUND BALANCES	\$ 190,566	\$ 550,058	\$ 21,215	\$ 10	\$ 12,109	\$ 1,390,600

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

TOWN OF CAMDEN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, CHANGES IN FUND BALANCES
NONMAJOR PERMANENT FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	Camden Snow Bowl	Nellie A. Knowton Fund	Oak Hill Cemetery Fund	Camden Public Library Fund	Atlantic Engine Co. # 2 Fund	Village Green Fund
REVENUES						
Investment income, net of unrealized gains/ (losses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	-	-	-	-	-	-
EXPENDITURES						
Other	-	55	-	-	-	-
TOTAL EXPENDITURES	-	55	-	-	-	-
NET CHANGE IN FUND BALANCES	-	(55)	-	-	-	-
FUND BALANCES - JULY 1, RESTATED	21,957	23,213	402,008	22,042	99,573	3,793
FUND BALANCES - JUNE 30	\$ 21,957	\$ 23,158	\$ 402,008	\$ 22,042	\$ 99,573	\$ 3,793

TOWN OF CAMDEN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, CHANGES IN FUND BALANCES
NONMAJOR PERMANENT FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	Irene F. Laite Fund	Oliver A. Coates Fund	Shadie Niles Fund	French Fund	Lacasse Scholarship Fund	Total
REVENUES						
Investment income, net of unrealized gains/ (losses)	\$ -	\$ 82,253	\$ 12,014	\$ -	\$ -	\$ 94,267
TOTAL REVENUES	-	82,253	12,014	-	-	94,267
EXPENDITURES						
Other	-	7,024	11,622	354	-	19,055
TOTAL EXPENDITURES	-	7,024	11,622	354	-	19,055
NET CHANGE IN FUND BALANCES	-	75,229	392	(354)	-	75,212
FUND BALANCES - JULY 1, RESTATED	190,566	474,829	17,049	9	11,948	1,266,987
FUND BALANCES - JUNE 30	\$ 190,566	\$ 550,058	\$ 17,441	\$ (345)	\$ 11,948	\$ 1,342,199

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

General Capital Assets

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

TOWN OF CAMDEN, MAINE

SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION
JUNE 30, 2018

	Land and Non-depreciable Assets	Buildings, Building Improvements & Land Improvements	Furniture, Fixtures, Equipment & Vehicles	Infrastructure	Total
General Government	\$ 1,074,160	\$ 6,003,177	\$ 162,752	\$ -	\$ 7,240,089
Public Safety	91,000	1,149,549	1,784,619	-	3,025,168
Public Works	45,000	984,633	1,716,211	1,540,828	4,286,672
Leisure Services	966,066	754,709	470,862	21,559	2,213,196
Snow Bowl	160,000	1,994,075	3,517,021	-	5,671,096
Wastewater	539,678	826,400	592,113	3,798,636	5,756,827
Total General Capital Assets	2,875,904	11,712,543	8,243,578	5,361,023	28,193,048
Less: Accumulated Depreciation	-	(4,821,028)	(4,396,703)	(1,752,184)	(10,969,915)
Net General Capital Assets	\$ 2,875,904	\$ 6,891,515	\$ 3,846,875	\$ 3,608,839	\$ 17,223,133

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

TOWN OF CAMDEN, MAINE

SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS BY FUNCTION
FOR THE YEAR ENDED JUNE 30, 2018

	General Capital Assets 7/1/17	Additions	Deletions	General Capital Assets 6/30/18
General Government	\$ 7,240,089	\$ -	\$ -	\$ 7,240,089
Public Safety	3,025,168	-	-	3,025,168
Public Works	4,286,672	-	-	4,286,672
Leisure Services	2,213,196	-	-	2,213,196
Snow Bowl	5,628,590	42,506	-	5,671,096
Wastewater	5,756,827	-	-	5,756,827
Total General Capital Assets	28,150,542	42,506	-	28,193,048
Less: Accumulated Depreciation	(10,095,720)	(874,195)	-	(10,969,915)
Net General Capital Assets	<u>\$ 18,054,822</u>	<u>\$ (831,689)</u>	<u>\$ -</u>	<u>\$ 17,223,133</u>

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



Proven Expertise and Integrity

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Selectmen
Town of Camden
Camden, Maine

We have audited, in accordance with the 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, the financial statements of the governmental activities, 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, 2018, and the related notes to the financial statements, which collectively comprise the Town of Camden, Maine's basic financial statements, and have issued our report thereon dated March 19, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Camden, Maine's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Camden, Maine's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Camden, Maine's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Camden, Maine's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

RHR Smith & Company

Buxton, Maine
March 19, 2019