

2014

City of Eastport Annual Report 2014

Eastport, Me.

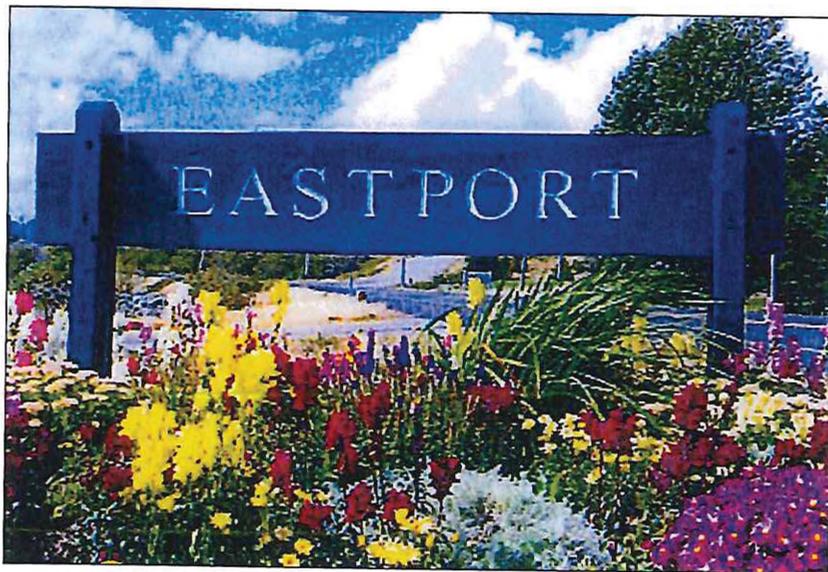
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City of Eastport



**Annual
Report
2014**

Notes

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CITY OFFICIALS and EMPLOYEES

City Council	Term
Mary Repole, Chair	2014
Scott Emery	2014
Colleen Dana-Cummings	2015
Gilbert Murphy	2015
Roscoe Archer III	2016

City Manager	Larry Post
City Clerk	Ella Kowal
Treasurer	Traci Calder
Wastewater Supt.	Jeff Sullivan
Sewer Clerk	Elaine Abbott
Assessor/CEO	Robert Scott

Police Chief

Rodney Merritt

Officers: Mark Emery, Justin Leighton, Dave Claroni, Tom Fredette, Greg Smith

Fire Chief

Richard Clark

Firefighters: Tom Critchley, Jeff Sullivan, Charles Leppin, Howard Johnson II, Christopher Bartlett, Richard Camick, Corey Sullivan, Kris Sullivan, Lee Harris, Tom Fredette, Howard W Johnson, Jacob Ruhe, Randy Newcomb, James Pearson, Earl Small, Mark Cook, Bill Buehner, Mark Emery

Public Works Director

Dick Quint

Public Works: Howard Johnson, Brian Baron

Cemetery Sexton

Marc Young

School Board

Will Bradbury, Chair	2014
Merilyn Mills	2014
David Gholson	2015
Meg McGarvey	2016
Richard Clark	2016

Notes

Planning Board

Steven Collins, Chair	2015
Alan Salleroli	2014
Kelle Bates-Erikson	2015
Michael Morse	2017
Sally Emery	2017
Heron Weston (alternate)	2015

Historical Review Board

Ed French, Chair	2014
Jack Reese	2015
Jean Schild	2016
Wayne Wilcox	2016
Thomas Ries	2016

Zoning Board of Appeals

Jan Finley, Chair	2018
Greg Noyes, Vice Chair	2017
Jeanne Peacock	2015
Cynthia Morse	2016
Denise Brown	2016
Merilyn Mills	2017
Steve Cannon	2017

Harbor Advisory Committee

Greg Biss	2014
Lee Harris	2014
George (Butch) Harris	2014
Christopher Bartlett	2014
Angus McPhail	2014
Jeffery Starling	2014

Budget Committee

Dean Pike	2014
Lawrence Doak	2014
Jack Reese	2014
Alex Smeaton	2014
John Venskus	2014

Airport Advisory Committee

Ron Rosenfeld
Gene Richardson
Ed Nadeau
Steve Trieber, Airport Manager

Energy Committee

Jon Calame, Chair
Sally Erickson
Rafi Hopkins
Damon Weston

Cemetery Committee

Judith Ayers
Steven Collins
Mary Davis
Marc Young
Helen Early
Frances Raye
Daniel Early

Marine Resources Committee

Steven Collins
Ricky Cox
Earl Small

Ordinance Review Committee

Hugh French
Meg Key
Michael Morse
Greg Noyes
Jeanne Peacock
Jean Schild
Robert Scott

	FY 2014 Budget	FY 2015 Budget
MUNICIPAL OPERATIONS		
Administration	\$359,717	\$358,725
Public Works	\$268,535	\$278,045
Police	\$321,483	\$319,575
Fire Dept	\$49,900	\$49,460
Cemeteries	\$31,631	\$25,426
Airport	\$44,890	\$15,000
Contingency		\$7,500
Municipal Operations	\$1,076,156	\$1,053,731
MUNICIPAL PROGRAMS		
Capital & Reserve	\$40,000	\$0
Insurance	\$57,580	\$60,000
Ambulance	\$101,000	\$104,030
Hydrant Rental	\$247,404	\$247,404
Solid Waste	\$165,000	\$170,000
Street Lights	\$18,000	\$19,000
Econ Devel-Mill & A&P	\$59,600	\$33,400
Recreation	\$5,000	\$4,000
General Assistance	\$1,000	\$3,000
Library & Sr Citizens	\$15,000	\$17,500
Municipal Programs	\$704,184	\$658,334
MUNICIPAL DEBT	\$232,260	\$166,036
MUNICIPAL	\$2,012,600	\$1,878,101
EDUCATION	\$2,350,497	\$2,472,916
COUNTY TAX	\$196,166	\$201,595
TOTAL EXPEND	\$4,559,263	\$4,552,612
REVENUE		
Municipal Operations	\$467,350	\$370,175
Municipal Programs	\$95,000	\$86,400
Revenue Sharing	\$125,000	\$95,000
Homestead Relmb		\$52,000
Education	\$1,056,401	\$1,138,689
TOTAL REVENUE	\$1,743,751	\$1,742,264
Total Expenses	\$4,559,263	\$4,552,612
Total Revenue	\$1,743,751	\$1,742,264
From Property Tax	\$2,815,512	\$2,810,348
SEWER DEPT	\$370,165	\$370,165

Hollingsworth & Associates, CPA, PA

*Douglas R. Hollingsworth, CPA
Stuart R. Dexter
Coreen M. Nicolai, CPA
Abigail J. Weeks
Cleola Luk*

Independent Auditor's Report on State Requirements

To the City Council
City of Eastport, Maine

With regard to the accompanying audit report of the Eastport School Department, Maine for the year ended June 30, 2013, we state the following assurances:

1. The annual financial data submitted to Maine Education Data Management System (MEDMS) financial system is in material agreement with the audit with the exceptions as noted on Schedule 12 of this report.
2. Proper budgetary controls were in place.
3. The City is in compliance with the Essential Programs and Services Funding Act.

Hollingsworth & Associates, CPA, P.A.

Bangor, Maine
June 9, 2014

Schedule 12

City of Eastport, Maine
 Reconciliation of Audit Adjustments to Annual Financial Data
 Submitted to MEDMS Financial System
 For the Fiscal Year Ended June 30, 2013

	General Fund
<i>June 30 balance per MEDMS Financial System</i>	\$ 56,419.31
Adjustments:	
Due from City	(96,391.80)
Accounts receivable	320,473.59
Due from special revenue	151,892.34
Accounts payable	2,673.69
Accrued summer salaries	15,474.13
Payroll deductions and withholdings	(138.31)
Out of balance adjustment	(34,302.25)
 <i>Audited GAAP Basis Fund balance June 30</i>	 <u><u>\$ 416,100.70</u></u>

CITY OF EASTPORT
REPORT OF CITY MANAGER

To: City Council and Citizens:

It is again a pleasure to present the City's Annual Report for the past fiscal year. There have been a number of things happening, and challenges we have had to deal with this past year. The City has gained considerable publicity this past year, as people are discovering what makes Eastport a special place. I continue to consider myself very fortunate to be a part of this great community.

We have undertaken steps to save money by various means this past year: changed employee health insurance, as well as general insurance, which saved a considerable amount. We also began bidding the City's fuel oil with the school, for another savings, and continue to review our operations to become more efficient.

There are a number of projects in various stages of completion. The sewer upgrades are continuing, a new boat ramp should be built next year, a remediation project at the old Dump site will stop the deterioration of the face and enable us to clean up the bay area. We purchased some land from the Railroad for recreational use, and are working with the Tides Institute and others to get land or easements for a trail along the old railroad bed.

Due to retirement and resignation, we have a new Public Works Director, Richard Quint, and a new Police Chief, Rodney Merritt. Brian Baron also joined PW, and is an asset as well. Our employees work hard, and deserve a huge amount of credit. We also created the position of Assistant City Manager, which was filled by Elaine Abbott, an existing employee who receives no extra compensation for this. She is particularly adept at grant writing, and so far has successfully written grants of over \$200,000, in addition to her other duties.

The Guilford Mill project was ongoing this past year, with the EDA grant making renovations possible for Millenium Marine to begin building boats. We look forward to a long relationship with this company, as we continue to look to further strengthen our economy. The plans are for the workforce there to continue to grow over this next year.

We have been developing a Capital Improvements Plan, as we must get our streets, sidewalks, buildings and equipment up to date, and properly plan how we can do this within budget. One of the things we started doing is to pave in conjunction with the water company replacing water lines. This is a savings, and will upgrade our streets faster. We also have been having problems with water issues in various places throughout the City, and are addressing these as fast as we can.

Our goal is to provide our citizens with excellent service, and I look forward to the challenges ahead, as we strive to always do more with less. I thank you for the privilege I have to be able to serve you. Remember, my door is always open for your ideas, questions or concerns.

Respectfully submitted



Larry Post
City Manager

ANNUAL REPORT FOR THE FISCAL YEAR 2013-2014
FROM THE PRESIDENT OF THE CITY COUNCIL
EASTPORT MAINE

With the council votes to amend/approve the reports by the City Manager, Boards, Committees, Department Heads and accept money for perpetual care for cemetery plots. We also held a Public Forum each month. We approved commitment of sewer fees to the Treasurer, appointed people to Boards and Committees, scheduled necessary Public Hearings for applications, ordinance changes and Charter changes for referendum.

2013

Received the letter of resignation from Charlie Leppin as Harbor Master and voted for Richard Leppin to take that position.

Reviewed bids for trash collection and voted to accept Moose Island Disposals bid.

Reviewed and signed the FY 2014 Tax commitment and set interest rate at 7%.

Reviewed and approved new hangar leases and added registration fee to the cost.

Reviewed and accepted the tie down fee for the airport.

Reviewed and approved bonds were committed to the Treasurer.

Reviewed and approved liquor and vendor licenses for the Salmon Festival.

Reviewed and approved to continue the need for a Councilor and the Treasurer to sign checks not the City

Reviewed and approved to transfer from City to Port Authority.

Reviewed and approved assistance was approved as submitted by the state.

Reviewed and approved public hearing date for consideration of loan guarantee on behalf of Downeast EMS.

Reviewed and approved purchase bullet proof vest for the police Department.

Reviewed and approved to have the City Manager negotiate contract as discussed in Executive session.

2013

Reviewed and approved public hearing for SRF funding of \$534,000 for the WWTP/Sewer.

Reviewed and approved to adopt a city ordinance to issue a general obligation money from Maine Municipal

Bank and approved the sewer department pay the \$43,000 not forgiven by the Bank.

2013

Reviewed and approved a hearing was held concerning a loan guarantee proposed by Downeast EMS. Council

approved the EMS loan of \$540,000. Eastport would be liable for \$180,000 provided all

parties approve it.

3

Reviewed and approved that Capital made a presentation about their future plans in Eastport.

Reviewed and approved a hearing was held concerning dangerous property; it was rescheduled.

Reviewed and approved an action was made and passed to allow amendment to the retirement fund and no match is

required for the 3% paid by the city.

City of Eastport, Maine
 Prior Period Correction to Net Position - Fiduciary Funds - Scholarships Fund
 For the Fiscal Year Ended June 30, 2013

	<u>F/Y/E 6/30/2012</u> (as restated)	<u>F/Y/E 6/30/2012</u> (as reported)
Prior period adjustments -		
Previously omitted certificate of deposit account	\$ 59,447.37	\$ -
Previously omitted savings account	4,296.08	-
Understated certificate of deposit account balance	2,000.00	-
Overstated savings account balance	(400.00)	-
Combined effect on net position	<u>65,343.45</u>	<u>-</u>
7/1/2011 net position - beginning balance	353,080.58	353,080.58
Fiscal year ending 6/30/2012 increase in net position	933.46	933.46
6/30/2012 net position - ending balance (as restated / reported on Stmt. 9)	<u>\$ 419,357.49</u>	<u>\$ 354,014.04</u>

City of Eastport, Maine

Period Correction to Net Position / Fund Balances - Governmental and Proprietary Activities
For the Fiscal Year Ended June 30, 2013

	FY/E 6/30/2012 (as restated)	FY/E 6/30/2012 (as reported)
Adjustments - all governmental activities		
payable	\$ 68,354.38	\$ -
revenues due to general fund	40,291.37	-
receivables	36,456.11	-
receivable	(47,289.24)	-
retention	(616.95)	-
amount due from general fund	(12,242.13)	-
net position	<u>84,953.54</u>	<u>-</u>
position - beginning balance	9,589,314.15	9,589,314.15
ing 6/30/2012 increase in net position	353,530.77	353,530.77
position - ending balance (as restated / reported on Stmt. 2)	<u>\$ 10,027,798.46</u>	<u>\$ 9,942,844.92</u>
Adjustments - general fund		
payable	\$ 68,354.38	\$ -
revenues due to general fund	40,291.37	-
receivables	36,456.11	-
receivable	(47,289.24)	-
net on general fund balance	<u>97,812.62</u>	<u>-</u>
fund - beginning balance	39,958.82	39,958.82
ing 6/30/2012 increase in fund balance	305,408.01	305,408.01
fund - ending balance (as restated / reported on Stmt. 4)	<u>\$ 443,179.45</u>	<u>\$ 345,366.83</u>
Adjustments - non-major governmental funds		
retention	(616.95)	-
net on non-major government funds balance	<u>(616.95)</u>	<u>-</u>
major governmental funds - beginning balance	347,128.37	347,128.37
ing 6/30/2012 increase in fund balance	206,661.60	206,661.60
major funds - ending balance (as restated / reported on Stmt. 4)	<u>\$ 553,173.02</u>	<u>\$ 553,789.97</u>
Adjustments - proprietary funds		
amount due from general fund	(12,242.13)	-
net on proprietary funds balance	<u>(12,242.13)</u>	<u>-</u>
etary funds - beginning balance	5,678,262.05	5,678,262.05
ing 6/30/2012 decrease in fund balance	(184,554.10)	(184,554.10)
rietary funds - ending balance (as restated / reported on Stmt. 6)	<u>\$ 5,481,465.82</u>	<u>\$ 5,493,707.95</u>

Public hearing was scheduled for consideration of a Bow Ordinance
Steve Trieber advised Council that the lighting system at the airport was vandalized and will cost over \$10,000. He also talked about the danger of walking on the runway.
A request was made to have the police chief at meetings.

September 11, 2013

A workshop was held for the proposed Fireworks Ordinance.
A presentation was held for the Bicycle/Pedestrian Assessment.
ORPC presentation concerning their future plans in Eastport.
A Public Hearing was held for the Zoning Ordinance Amendment raising fees for applications, for the dangerous property on Water Street, and an amendment to the personnel policy and the Bow Ordinance.
The fee increase was approved, the change to personnel policy was accepted, the Bow Ordinance was approved.
The bid for the work on sewer stations was approved.
Discussion was held about the police chief taking the cruiser home.

October 9, 2013

We were apprised of the completion and acceptance of the \$1.4 million grant for Millennium Marine.
Approved was the motion to accept the Fireworks Ordinance.
Repairs and improvements were accepted for City Hall.
Concern was expressed for the dilapidated and unused buildings and wild animals.
After executive session a stipend was approved for the Airport Manager in the amount of \$2500.00.
Licenses were approved for local restaurants.

October 22, 2013

Fireworks Ordinance Public Hearing. Much discussion was had about the ordinance proposed and enforcement issues. A straw poll was authorized for November

October 31, 2013

Executive session held. A vote was taken and passed to have the attorney to add an addendum to the City Manager's contract extending the probationary period to January 31, 2014

November 13, 2013

A public hearing was held for two Zoning Ordinance amendments. Both were approved wording changes and addition of maps as addendum.
Port Director Chris Gardner presented a report to Council concerning the Breakwater repairs and answered questions from the taxpayers.
Voted to approve application for the Trail Development Grant.

was taken to approve the park conservation easement for Drummond Street Park by Coast Heritage Trust.

er 11, 2014

ements were approved to change a Zone district from R2 to B2 for Toll Bridge Rd., fines at the airport to 200.00
-lessees of berthing spots at the harbor.
roval of a SHIP grant application for the boat ramp on Deep Cove.

8, 2014

meeting of the year duties were handled. Mary Repole was voted Council Chair. ements to banks used, taxes, staff appointments to city jobs, liaison positions for Council s, etc. and can be found in the minutes on the City website.

7 12, 2014

r was approved for the sewer bill for the new Port building since they will be providing athrooms for the city use.
udget was presented.
President requested that notices be placed whenever possible in the Quoddy Tides so t citizens would see them.
ar of houses put out to bid were sold.
sion was held about the change in city employment carryover of sick leave. It was

2, 2014

ffin and Brian Beneski spoke to us about the land remediation project on Deep Cove Rd. al shelter in Perry signed an agreement to house our stray dogs.
of support was signed against the closure of Downeast Correctional Facility and a n condemning consolidation of these facilities.

:014

Hearing was held to review proposed Charter Amendments. There was extensive n about them. There was also a lot of discussion on the issue of noise in the downtown r 10pm at night. This was in reference to the issuance of liquor and entertainment in the area.
approved the addition of the referendum of Charter Amendments to the June ballot. age issues on Hawkes Avenue were discussed.

City of Eastport, Maine
 Schedule of Changes in Assets and Liabilities
 Agency Fund
 For the Fiscal Year Ended June 30, 2013

	Balance July 1, 2012	Additions	Deductions	Balance June 30, 2013
ASSETS				
Cash and cash equivalents	\$ 35,163.89	\$ 93,840.00	\$ 71,352.61	\$ 57,651.28
Investments	16,574.53	206.50	-	16,781.03
Total assets	<u>\$ 51,738.42</u>	<u>\$ 94,046.50</u>	<u>\$ 71,352.61</u>	<u>\$ 74,432.31</u>
LIABILITIES				
Due to student groups	\$ 51,738.42	\$ 94,046.50	\$ 71,352.61	\$ 74,432.31
Total liabilities	<u>\$ 51,738.42</u>	<u>\$ 94,046.50</u>	<u>\$ 71,352.61</u>	<u>\$ 74,432.31</u>

City of Eastport, Maine
 Schedule of Revenues, Expenses, and Changes In Fund Balance - Budget and Actual
 Proprietary Funds - School Lunch
 For the Fiscal Year Ended June, 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
rental revenue	\$ -	\$ -	\$ 49,938.47	\$ 49,938.47
entire	20,000.00	20,000.00	6,731.05	(13,269.95)
ness	20,000.00	20,000.00	56,669.52	36,669.52
	-	-	59,885.61	(59,885.61)
	27,441.69	27,441.69	30,917.28	(3,475.59)
	1,000.00	1,000.00	3,755.29	(2,755.29)
	-	-	1,130.12	(1,130.12)
enses	28,441.69	28,441.69	95,688.30	(67,246.61)
efficiency) of revenues over (under) expenses	(8,441.69)	(8,441.69)	(39,018.78)	(30,577.09)
g sources (uses)				
om other funds	28,441.69	28,441.69	-	(28,441.69)
o other funds	(20,000.00)	(20,000.00)	-	20,000.00
ai financing sources	8,441.69	8,441.69	-	(8,441.69)
n net position	\$ -	\$ -	(39,018.78)	\$ (39,018.78)
- beginning (as restated)			2,697.52	
e (deficit) - ending			\$ (36,321.26)	

May 14, 2014

The Commons gave a presentation to Dawn Preston, Kitchen Manager at the elementary school and to Council President Mary Repole.

ORPC updated Council on their work in the area and their future plans.

Changes to the City Policy and Procedures were discussed. They were approved by vote.

The AWOS contract was awarded.

Council voted to divert \$2,000.00 from the Parks and Recreation account to the Shead radio station.

Councilor Dana-Cummings requested a listing of all City easements.

Councilor Emery requested information about the status of fuel for the city garage.

Executive Session was held for the City Manager's evaluation.

June 11, 2014

A public hearing was held concerning Zoning Ordinance changes. They were all denied. Port Director Chris Gardner gave a report.

The ramp on Deep Cove was discussed and is still not ready to start.

The request for the list of easements was repeated as was the request to address the Morrison property on the inner basin.

Council approved application for the Coastal Community grant for storm water management and erosion control.

Council approved insurance awards for the city with Maine Municipal.

The FY 2014-2015 budget was not approved as the Council had just received the School Committee's budget. There was a workshop and Public Hearing for the budget.

Executive session was held. No votes were taken.

Respectfully submitted,

Mary Repole

President of City Council



port Police Department has seen several changes and improvements during the
al year. We were able to partner with other emergency responders across
ton County and received grant monies which provided invaluable computer
nt and software. This partnership allows participating County agencies to store
ss vital data which provides crucial information in responding to emergency
; and investigations. This unification has been very successful in streamlining
ing information and solving crime.

il year 2014, the Eastport Police Department responded to 672 calls for service.
lls range from criminal, civil, investigations, traffic stops, motor vehicle
; and other requests for police assistance. During this year we have been actively
ting a 10-year-old missing person case with the assistance of the Maine State
d numerous other agencies across the United States .Also,we were able to assist
l successful major festivals including Fourth of July and the very successful
stival.

port Police Department took part in operation Stonegarden, a program
rated through the department of homeland security, in an effort to put more
ficers on the streets across the country. With the assistance of this program our
nt was able to obtain two new patrol bicycles which were utilized throughout
er months..

port Police Department currently has four full-time police officers and 14 part-
ce officers. With these officers ,the City of Eastport is provided 24 hour
n 365 days a year. Also you may want to praise the officers for their dedication
work.

g, I would like to thank the city council and the citizens of Eastport for their
luring the past year. It has been and continues to be a privilege to serve you.

ully submitted

dney L Merritt
Police Department

City of Eastport, Maine
 Schedule of Revenues, Expenses, and Changes in Fund Balance - Budget and Actual
 Proprietary Funds - Airport
 For the Fiscal Year Ended June, 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ -	\$ -	\$ 132,810.00	\$ 132,810.00
Charges for services	30,600.00	30,600.00	57,571.34	28,971.34
Total revenues	30,600.00	30,600.00	190,381.34	159,781.34
Expenses				
Operations	10,650.00	10,650.00	5,987.76	4,662.24
Utilities	4,040.00	4,040.00	3,763.67	276.33
Fuel farm	30,000.00	30,000.00	20,183.81	9,816.19
Snow removal	-	-	145,329.50	(145,329.50)
Total expenses	44,690.00	44,690.00	175,264.74	(130,574.74)
Excess (deficiency) of revenues over (under) expenses	(14,090.00)	(14,090.00)	15,116.60	29,206.60
Other financing sources (uses)				
Transfers from other funds	44,690.00	44,690.00	-	(44,690.00)
Transfers to other funds	(30,600.00)	(30,600.00)	(301.14)	30,298.86
Total other financing sources	14,090.00	14,090.00	(301.14)	(14,391.14)
Change in net position	\$ -	\$ -	14,815.46	\$ 14,815.46
Fund balance - beginning				-
Fund balance - ending			\$ 14,815.46	

City of Eastport, Maine
 Schedule of Revenues, Expenses, and Changes in Fund Balance - Budget and Actual
 Proprietary Funds - Sewer
 For the Fiscal Year Ended June, 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
Services	\$ 353,320.00	\$ 353,320.00	\$ 351,042.65	\$ (2,277.35)
Revenues on user fees	8,000.00	8,000.00	13,057.26	5,057.26
Other revenue	-	-	886.10	886.10
Revenues	361,320.00	361,320.00	364,986.01	3,666.01
Expenses	92,694.00	92,694.00	102,482.46	(9,788.46)
	166,000.00	166,000.00	156,569.65	9,430.35
	27,360.00	27,360.00	22,569.91	4,790.09
	75,890.00	75,890.00	5,620.64	70,269.36
Expenses	361,944.00	361,944.00	287,242.66	74,701.34
Efficiency of revenues over (under) expenses	(624.00)	(624.00)	77,743.35	78,367.35
Other sources (uses)				
From other funds	361,944.00	361,944.00	-	(361,944.00)
From other funds	(361,320.00)	(361,320.00)	-	361,320.00
Financing sources	624.00	624.00	-	(624.00)
Net position	\$ -	\$ -	77,743.35	\$ 77,743.35
Beginning			68,633.01	
Ending			\$ 146,376.36	

TO: Larry Post, City Manager
FROM: Office of City Clerk, Ella Kowal
DATE: September 18th, 2014
RE: Annual Report Info/Data (FY2014)

Attached hereto is the data on record at City Hall relative to the municipality's closeout of its Fiscal Year 2014 for completion of the City's *annual report* as required by the City Charter. The **FY2014** is reflective of the time period from **July 1st, 2013 through June 30th, 2014**.

The attachments provided include detailed information with regard to non-zero balances and the filing of liens for Real Estate taxes as well as Personal Property taxes.

Non-Zero Balance - Personal Property Taxes:

FY2014	-	\$ 962.25	(Detail Report Attached)
FY2013	-	\$ 742.80	(Detail Report Attached)
TOTAL:		\$1,705.05	

Non-Zero Balance - "Liened" Real Estate Taxes:

FY2014	-	\$ 162,714.54	(Detail Report Attached)
FY2013	-	\$ 87,137.96	(Detail Report Attached)
FY2012	-	\$ 5,402.99	(Detail Report Attached)
FY2011	-	\$ 3,552.73	(Detail Report Attached)
FY2010	-	\$ 455.13	(Detail Report Attached)
TOTAL:		\$ 259,263.35	

****NOTE: The City of Eastport now accepts credit or debit cards as a source of payment***

A total of (8) "Marriage Licenses were Issued and Filed

A total of (15) "Burial/Disposition Permits" were Recorded

A total of (9) new "Business Certificates of Sole Proprietor" were Issued & Filed

08/01/2013 Danny Waggoner d/b/a Eastport Computer & Electronics
08/12/2013 Family Dollar, Inc.
08/21/2013 Tyler Walls d/b/a Eastport Canoes
09/26/2013 Pamela Francis d/b/a Landmark 1887
12/27/2013 Andrea Kendall d/b/a Kendall Community Case Management Agency
04/23/2014 Jeff Dowell d/b/a
05/01/2014 Victoria Dowell d/b/a
05/29/2014 Eastport Family Pharmacy
06/18/2014 Wai-Tag Wong d/b/a Lobster Around

Report - FY2014
Astoria
City Clerk

Records:

(6) Births were Recorded.

(23) Deaths were Recorded.

continues to process *death records* through the EDRS system from Astoria. The Astoria office is working on implementing this same service for *birth records*. The office is now also able to *process and execute forms* such as Marriage Intentions and Licenses from the EDRS System.

Licenses:

total of (15) **Victualer Licesnes** were Issued

total of (7) **Special Entertainment Licenses** were Issued

total of (3) **Vendor Licenses** were Issued

Dog Licensing:

total of (9) **Non-spayed/Non-neutered Dog Licenses** were Issued

total of (150) **Spayed/Neutered Dog Licenses** were were Issued

Hunting & Fishing Licensing:

total of (111) Licenses were Issued for **Hunting/Fishing**

Recreational Registrations:

following information is reflective of the total number of **Recreational Registrations** Issued.

ATV's	(33)	
BOAT's	(104)	the total of <i>Excise Tax Collected was \$3,140.10</i>
SNOWMOBILES's	(15)	

Registration Statistics:

Records reflect that there are a total of 1,149 **Registered Voters** as referenced below by Party.

<i>Democrats</i>	<i>443</i>
<i>Green</i>	<i>32</i>
<i>Republicans</i>	<i>329</i>
<i>Unenrolled</i>	<i>345</i>

Vehicle Registrations:

Vehicle count of 1,395 reflects a total of \$183,431.71 collected in *Excise Tax*

City of Eastport, Maine
Schedule of Taxes and Tax Liens Receivable
General Fund
June 30, 2013

Taxes receivable			
Real estate	\$	32.04	
Personal property		<u>1,155.52</u>	
			\$ 1,187.56
Tax liens receivable			
2012		165,962.00	
2011		76,727.79	
2010		5,593.86	
2009		2,138.99	
2008		<u>1,358.39</u>	
			<u>251,781.03</u>
Total taxes and tax liens receivable	\$		<u>252,968.59</u>

Schedule 4

City of Eastport, Maine
 Schedule of Property Valuation, Assessment, and Appropriations
 General Fund
 For the Fiscal Year Ended June 30, 2013

and Valuation	
state valuation	\$ 118,556,100
nal property valuation	<u>2,941,163</u>
il valuation	<u>\$ 121,497,263</u>
nnitment	
ssessment at \$23.00 per thousand	<u>\$ 2,794,437</u>
lilation of Commitment with Appropriation	
nt year tax commitment, as above	\$ 2,794,437
ated revenues	822,047
onal revenues from local education	598,541
onal appropriation from surplus	<u>208,533</u>
ropriations per original budget	\$ 4,423,558
rlay	<u>(7,405)</u>
al appropriations	<u>\$ 4,416,153</u>

Non-Zero Balance Real Estate TaxesAs of: June 30th, 2014

(Name)	(Account)	(FY2014)	(FY2013)	(FY2012)	(FY2011)	(FY2010)
Aguilar, Bobbie Jo	262	\$923.85	\$725.24			
Andrews, Floyd, Sr.	24	\$1,569.25	\$1,664.67	\$1,682.52	\$1,784.56	\$455.13
Angel, Rick	27	\$1,221.14				
Atmore, Samuel	1054	\$917.54				
Bofus, Inc.	527	\$1,676.88				
Boone, William	128	\$945.53				
Boone, William	129	\$3,860.93				
Boone, William	1522	\$695.07				
Boone, William	127	\$1,273.04	\$1,340.75			
Boone, William	133	\$268.81				
Boone, William	1326	\$606.88				
Bowen, Dana	144	\$2,079.80				
Boyle, Eileen Linares	862	\$1,357.65				
Bright, Josephine	912	\$1,082.79				
Bright, Josephine	913	\$191.75				
Casement, Liam	229	\$1,118.91				
Cook, Anthony	1305	\$724.89	\$761.45			
Cook, Brenda	305		\$1,432.60	\$748.15		
Cook, Richard	316	\$785.27				
Craigie, Russell	1456	\$579.47	\$70.92			
Cushing, Muriel	770	\$1,625.57				
Dirigamus, LLC	929	\$524.08	\$24.84			
Donahe, Sarah	1523	\$3,658.11	\$3,471.17			
Down East Services,	1379	\$1,587.04				
Dudley, Shirley (Life	402	\$1,376.60	\$1,458.96			
Dudley, Linda	397	\$1,678.55	\$1,779.75			
Earley, Daniel	642	\$1,701.74				
Emerton, Virginia	502	\$1,521.09	\$1,613.24			
Emery, Ann Margare	503	\$1,247.47	\$1,319.46			
Emery, Sally	505	\$2,283.01	\$2,424.79			
Emery, Shannon	1004	\$283.26				
Emmert, Richard	508	\$463.88				
Fellows, Celina	716	\$3,039.20				
Fellows, Celina	717	\$929.58				

	(Account)	(FY2014)	(FY2013)	(FY2012)	(FY2011)	(FY2010)
Hollis Jr.	523	\$454.30				
Ivin	545	\$1,232.11				
Richard	549	\$1,675.22				
gy	1236	\$820.42				
April	682	\$1,464.21	\$1,550.88	\$559.60		
Tom & Nat	1559	\$1,128.55				
Mary J. (De	595	\$1,318.86				
Christopher	195	\$3,585.86				
Christopher	396	\$824.63				
manda L.	1480	\$1,259.51				
ry	601	\$755.27	\$795.51			
Walter E	605	\$2,006.06				
mes	609	\$1,090.02	\$1,152.95			
ames	1225	\$829.93	\$875.23			
ames	1226	\$2,285.42	\$2,109.00			
aul	665	\$1,151.14	\$1,216.60	\$1,237.15	\$1,768.17	
Richard	686	\$567.44	\$509.74			
en	1594	\$897.42				
lberta	724	\$986.46	\$1,042.37			
lberta	727	\$1,412.72	\$1,497.52			
Roland	747	\$1,046.63				
lay (Heirs)	754	\$131.54				
rel	1446	\$2,152.96				
han B.	839	\$434.29				
ohard	786	\$1,162.27	\$211.65			
Matthew	577	\$946.44	\$998.02			
William	1105	\$468.69				
William	1106	\$307.34				
W.	811	\$1,087.61	\$1,150.38			
W, Sr.	809	\$1,413.64	\$1,496.89			
W, Sr.	810	\$637.27	\$669.52			
nathan P.	271	\$301.04	\$308.10			
nathan P.	1409	\$1,323.62	\$1,402.38			
ames	626	\$636.00				
Id, Kendra	901	\$1,097.24	\$1,160.67	\$1,175.57		

City of Eastport, Maine
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Non-Major Governmental Funds
 For the Fiscal Year Ended June 30, 2013

Schedule 3
 (Page 2 of 2)

	NON-MAJOR CAPITAL PROJECT FUNDS					Permanent Fund	NON-MAJOR SPECIAL REVENUE FUNDS - SCHOOL		Total Non-Major Governmental Funds
	Boat School	Quillford Mill Building	A&P Building	Economic Development	Capital Projects		School Special Revenue		
REVENUES									
Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,515.64	\$ -	\$ 3,515.64	
Other	600.00	70,330.00	11,000.00	53,882.36	-	-	434,269.12	1,219,814.99	
Total revenues	600.00	70,330.00	11,000.00	53,882.36	-	3,515.64	434,269.12	1,223,330.63	
EXPENDITURES									
Operation and program expenditures	2,721.30	56,849.86	4,912.31	23,000.00	-	1,180.25	324,699.19	1,177,328.40	
Total expenditures	2,721.30	56,849.86	4,912.31	23,000.00	-	1,180.25	324,699.19	1,177,328.40	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,121.30)	13,480.14	6,087.69	30,882.36	-	2,335.39	109,569.93	46,002.23	
OTHER FINANCING SOURCES (USES) OF FUNDS									
Transfers in	2,121.30	-	-	-	-	-	-	203,221.30	
Transfers out	-	(31,219.85)	(5,554.75)	(157,414.37)	(7,932.33)	-	-	(203,221.30)	
Gain (loss) on investment	-	-	-	-	-	(3,307.51)	-	(2,828.02)	
Total other financing sources (uses)	2,121.30	(31,219.85)	(5,554.75)	(157,414.37)	(7,932.33)	(3,307.51)	-	(2,828.02)	
Net change in fund balance	-	(17,739.71)	532.94	(126,532.01)	(7,932.33)	(972.12)	109,569.93	43,174.21	
Fund balances (deficits) - beginning (as restated)	-	130,451.32	18,559.06	367,605.97	(92,989.59)	184,994.21	(51,791.21)	553,173.02	
Fund balances (deficits) - ending	\$ -	\$ 112,711.61	\$ 19,092.00	\$ 241,073.96	\$ (100,921.92)	\$ 184,022.09	\$ 57,778.72	\$ 596,347.23	

	Special Revenue Funds												Special Revenue Funds Total
	Harbor	Onestep Rehabilitation	FEMA	Marmalad AT	Small Water grant	Outlook Park	Enlight AT Center	Tides Institute	Comm. Ent. Fees/Gend.	Fire Station	WWTP	Undesignated Fund Balance	
REVENUES													
Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	3,549.00	150.00	150.00	400.00	400.00	400.00	271,150.00	8,650.00	286,704.00	79,810.00	-	-	650,213.00
Total revenues	\$ 3,549.00	\$ 150.00	\$ 150.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 271,150.00	\$ 8,650.00	\$ 286,704.00	\$ 79,810.00	\$ -	\$ -	\$ 650,213.00
EXPENDITURES													
Operation and program expenditures	9,181.00	1,047.00	-	400.00	-	-	236,650.50	9,820.15	314,443.04	192,423.80	-	-	763,965.49
Total expenditures	9,181.00	1,047.00	-	400.00	-	-	236,650.50	9,820.15	314,443.04	192,423.80	-	-	763,965.49
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(5,632.00)	(897.00)	-	(400.00)	-	-	(34,499.50)	(970.15)	(27,739.04)	(112,613.80)	-	-	(113,752.49)
OTHER FINANCING SOURCES (USES) OF FUNDS													
Transfers in	-	-	-	1,100.00	-	-	-	-	75,000.00	125,000.00	-	-	201,100.00
Transfers out	-	-	-	-	-	-	-	-	-	-	(1,100.00)	-	(1,100.00)
Gain (loss) on investment	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	1,100.00	-	-	-	-	75,000.00	125,000.00	(1,100.00)	-	200,000.00
Net change in fund balance	(5,632.00)	(897.00)	-	700.00	-	-	34,499.50	(970.15)	47,260.96	12,386.20	(1,100.00)	-	86,247.51
Fund balances (deficits) - beginning (as restated)	4,684.40	697.00	8,940.53	(700.00)	42,404.00	4,133.39	(1,808.21)	15,500.00	-	-	(77,707.95)	-	(3,656.74)
Fund balances (deficits) - ending	\$ (947.60)	\$ -	\$ 8,940.53	\$ -	\$ 42,404.00	\$ 4,133.39	\$ (1,808.21)	\$ 49,999.50	\$ (970.15)	\$ 47,260.96	\$ 12,386.20	\$ (78,807.95)	\$ 82,590.77

(Name)	(Account)	(FY2014)	(FY2013)	(FY2012)	(FY2011)	(FY2010)
Marin, Alfred	275	\$973.85				
Matusiak, Richard	834	\$750.74				
McDowell, Kathryn	190	\$364.18				
McDowell, Kathryn	515	\$1,237.59				
McDugald, Hazen	274	\$776.95	\$465.14			
McGarvey, Margaret	926	\$3,218.89	\$3,426.12			
McGarvey, Margaret	927	\$425.35	\$443.22			
McGarvey, Margaret	985	\$1,292.31	\$1,368.95			
McGarvey, Margaret	987	\$324.20	\$335.22			
McGarvey, Margaret	988	\$8,116.66	\$8,652.64			
McGarvey, Margaret	989	\$428.67	\$445.16			
McGarvey, Margaret	990	\$1,015.37	\$1,073.24			
McGarvey, Margaret	991	\$309.75	\$319.79			
McGarvey, Margaret	992	\$593.92	\$623.23			
McGarvey, Margaret	993	\$2,201.13	\$2,337.75			
McGarvey, Margaret	994	\$211.93	\$213.73			
McGarvey, Margaret	997	\$3,476.58	\$3,701.27			
McGarvey, Margaret	925	\$121.91				
McKnight, Pearl	1010	\$1,092.43				
Medeiros, David S.	728	\$1,542.77	\$1,634.40			
Melanson, Andie	1452	\$2,066.27	\$2,193.75			
Moores, Wayne	1067	\$84.37				
Mullen, Jonathan W.	510	\$380.51				
Mullen, Jonathan W.	1111	\$1,690.99				
Murphy, Kenneth	1126	\$856.42	\$729.29			
Ohmeis, James	1248	\$564.24				
Pagels, Steven F.	900	\$1,916.23				
Pagels, Steven F.	1156	\$50.35				
Picco, Amanda	530	\$1,733.47				
Proctor, Drew	186	\$1,477.74				
Reidell, Louise Heidi	356	\$882.91				
Rice, Donald	1250	\$1,469.77	\$1,547.98			
Robertson, Gloria K.	1290		\$1,792.61			
Rogers, Irene	725	\$1,411.23				

City of Eastport, Maine
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2013

	Capital Projects	Special Revenue - City	Special Revenue - School	Permanent Fund	Total Non-Major Governmental Funds
ASSETS:					
Cash and cash equivalents	\$ 241,073.96	\$ -	\$ -	\$ 69,416.29	\$ 310,490.25
Investments	-	-	-	112,931.23	112,931.23
Interfund receivable	32,387.02	82,590.77	57,778.72	1,674.57	174,431.08
Total assets	<u>273,460.98</u>	<u>82,590.77</u>	<u>57,778.72</u>	<u>184,022.09</u>	<u>597,852.56</u>
LIABILITIES					
Accounts payable	1,505.33	-	-	-	1,505.33
Total liabilities	<u>1,505.33</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,505.33</u>
FUND BALANCES (DEFICITS)					
Restricted for:					
Subsequent years' expenditures	-	165,124.58	247,002.36	-	412,126.94
Perpetual care	-	-	-	184,022.09	184,022.09
Assigned	372,877.57	-	-	-	372,877.57
Unassigned	<u>(100,921.92)</u>	<u>(82,533.81)</u>	<u>(189,223.64)</u>	<u>-</u>	<u>(372,679.37)</u>
Total fund balances (deficits)	<u>271,955.65</u>	<u>82,590.77</u>	<u>57,778.72</u>	<u>184,022.09</u>	<u>596,347.23</u>
Total liabilities and fund balances	<u>\$ 273,460.98</u>	<u>\$ 82,590.77</u>	<u>\$ 57,778.72</u>	<u>\$ 184,022.09</u>	<u>\$ 597,852.56</u>

City of Eastport, Maine
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 General Fund
 For the Fiscal Year Ended June, 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (negative)
	Original	Final		
res	\$ 2,794,437.00	\$ 2,794,437.00	\$ 2,804,307.70	\$ 9,870.70
s	152,500.00	152,500.00	177,997.18	25,497.18
mental revenue	1,011,178.40	1,011,178.40	1,180,132.60	168,954.20
r services	25,960.00	25,960.00	22,999.67	(2,960.33)
income	1,500.00	1,500.00	3,305.26	1,805.26
lien fees	30,000.00	30,000.00	4,630.70	(25,369.30)
rd permits	1,250.00	1,250.00	1,657.60	407.60
ues	65,600.00	55,600.00	(4,062.60)	(59,662.60)
venues	4,072,425.40	4,072,425.40	4,190,968.11	118,542.71
vernment	323,771.00	323,771.00	341,906.78	(18,135.78)
ty	804,657.00	804,657.00	763,459.46	41,197.54
s	258,023.00	258,023.00	261,834.02	(3,811.02)
sanitation	165,000.00	165,000.00	156,058.00	8,942.00
	2,234,610.69	2,234,610.69	2,180,605.10	54,005.59
	178,478.00	178,478.00	178,478.00	-
d	87,222.02	87,222.02	43,531.03	43,690.99
e	232,260.00	232,260.00	222,898.56	9,361.44
enditures	4,284,021.71	4,284,021.71	4,146,770.95	135,250.76
deficiency) of revenues				
fer) expenditures	(211,596.31)	(211,596.31)	42,197.16	253,793.47
ng sources (uses)				
ransfers in	127,600.00	127,600.00	301.14	(127,298.86)
ransfers (out)	(132,131.69)	(132,131.69)	-	132,131.69
er financing sources (uses)	(4,531.69)	(4,531.69)	301.14	4,832.83
ges in fund balances*	\$ (216,128.00)	\$ (216,128.00)	\$ 42,498.30	\$ 258,626.30
:- beginning (as restated)			443,179.45	
a - ending			\$ 485,677.75	

) of the net change in fund balances was included in the budget as an appropriation (i.e., spenddown) of fund balance.
 ing difference of \$7,405.00 represents the overlay amount.

City of Eastport
Assessor's Annual Report
July 1, 2013 to June 30, 2014

Valuation:

Total Real Estate:	\$119,801,000	
Total Personal Property:	\$3,572,710	
		<u>\$123,373,710</u>

Assessment:

County Tax:	\$196,166	
Municipal Appropriations:	\$2,012,600	
Local Education Appropriation:	\$2,350,497	
Overlay:	\$79,803	
		<u>\$3,582,665</u>

Deductions:

State Revenue Sharing:	\$125,000	
Homestead Reimbursement:	\$52,095	
Other Revenue:	\$562,350	
		<u>\$927,790</u>

Total Assessment for Commitment: \$2,794,437

Mill Rate: \$0.023 (\$23.00 per \$1,000 in valuation.)

Abatements

<u>Class</u>	<u>Tax Map</u>	<u>Amount Abated</u>
Jrban	J7-D2-06	\$230.00
Rural	F5-D5-01	\$273.70
P/P	Personal Property	\$46.00
Jrban	I7-D1-11	\$462.30
Jrban	J7-B2-07	\$156.40
Jrban	E3-A1-12	\$64.10
Jrban	J7-D2-10	<u>\$225.40</u>

Total: \$1,457.90

Supplemental Bills

<u>Class</u>	<u>Tax Map</u>	<u>Amount Abated</u>
Jrban	D3-D2-01/1A	<u>\$1,030.40</u>

respectfully submitted,

Robert P. Scott
Municipal Assessor

CITY OF EASTPORT, MAINE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

10. PRIOR PERIOD CORRECTION

As detailed in Schedule 10 Prior Period Correction to Net Position – Governmental and Proprietary Activities, beginning net position has been restated to \$10,027,798.46. The increase of \$84,953.54 is the result of corrections to balances of accounts and Interfund payables, adjustments to accounts receivable and adult education expenses as previously reported on the Balance Sheet. Accordingly, the beginning general fund balance has been restated by an increase of \$97,812.62 from \$345,366.83 to \$443,179.45. And the beginning other governmental funds balance has been restated by a decrease of \$616.95 from \$553,789.97 to \$553,173.02. The beginning proprietary funds balance has been restated by a decrease of \$12,242.13 from \$5,493,707.95 to \$5,481,465.82

As detailed in Schedule 11 Prior Period Correction to Net Position – Fiduciary Funds – Scholarships Fund, beginning net position has been restated to \$419,357.49. The increase of \$65,343.45 is the result of the inclusion of two inadvertently omitted accounts and corrections for an understated and an overstated account balance as previously reported on the Statement of Changes in Fiduciary Net Position.

**CITY OF EASTPORT, MAINE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

PENSION PLANS (CONTINUED)

Maine Public Employees Retirement System (Maine PERS) – School Employees

The City participates in the Maine Public Employees Retirement System (Maine PERS), a cost sharing multi-employer defined benefit pension plan, which covers school department employees who work at least 40 hours per week. The system requires that both employees and the City contribute, and provides retirement, disability, and death benefits. Employees are eligible for normal retirement upon reaching the age of sixty and early retirement after completing twenty-five or more years of credited service.

All schoolteachers, plus other qualified educators, participate in the Maine PERS' teacher group. The Eastport School Department is a non-contributing unit, with the exception of school employees who work on federally funded programs; therefore all contributions to the plan are withheld from the employees at 7.65% of gross wages and remitted to the plan monthly.

For fiscal year ended June 30, 2013, the Department's payroll for all employees amounted to \$1,253,767.48 and its payroll for the employees covered by the system was \$90,922.46. The employer's portion of the contribution was covered by the State of Maine. The State's percentage was 13.85% for a contribution amount of \$12,592.76.

PENDING LITIGATION

According to City management, there is a litigation pending in which there had not been any decisions. The Washington County Superior Court had entered an order granting Summary Judgment to the City of Eastport, but it may still be possible for there to be an appeal of this judgment after other aspects of the litigation between the claimants and other parties other than the City are complete. It is the opinion of the City's legal counsel that it is very unlikely that there can be a monetary judgment against the City of Eastport. The management of the City is defending its position in this litigation.

RELATED PARTY LIABILITY GUARANTEE

In February 2011, the City became a joint co-signer on a line of credit that DownEast EMS Ambulance Service (also known as Washington County Emergency Medical Service Authority) has with The First Bank. The line of credit shall not exceed \$100,000.00 and the City's liability is limited to a maximum of one-third (\$33,333.33) of the total amount. The Town of Lubec, Maine and the Unorganized Territories of Washington County, Maine are equal co-signers of the remaining amount.

SUBSEQUENT EVENTS

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

On August 6, 2013, the City obtained final approval from the Maine Municipal Bond Bank for \$534,000.00 borrowing from the Clean Water Revolving Loan Fund. The agreement included \$490,114.00 principal forgiveness with a remaining balance of \$43,886.00. The balance has a ten-year term at 0.100% interest with annual payments of \$4,632.00.

Code Enforcement Officers & Plumbing Inspector Annual Report

Last year's report was incorrectly dated for 2013 when in actuality it was for 2012 calendar year. The number of permits decreased from 2012 in fiscal year 2013 as did fee amount taken in.

<u>PermitType</u>	<u>2013 Quantity</u>	<u>2013 Est. Costs</u>	<u>2013 Permit Fee</u>
Building	25	\$306,650	\$644.00
Demolition (Valuation loss)	2		\$0.00
Plumbing	14	\$0	\$333.00
Earthmoving	2	\$0	\$20.00
P/B Special Permit	4	\$0	\$100.00
ZBA Special Permits	2	\$0	\$50.00
Certificate of Occupancy	1	\$0	\$0.00
<u>Certificate of Approp.</u>	<u>1</u>	<u>\$0</u>	<u>\$0.00</u>
Total	<u>51</u>	<u>\$306,650</u>	<u>\$1,147.00</u>

Building Permits by Category

New Homes	0	\$0.00
Additions	4	\$96.00
Decks & Entryways	2	\$56.00
Storage Sheds	5	\$90.00
Garages	7	\$246.00
Mobile Homes	1	\$10.00
Industrial/Comm	1	\$37.00
Miscellaneous	5	\$109.00
Total Permits:	<u>25</u>	<u>\$644.00</u>

Respectfully submitted,

Robert P. Scott
Code Enforcement Officer/Local Plumbing Inspector

2014 Report for the Eastport Fire Department

port Fire Department responded to 40 service calls during the 2014 fiscal year. Calls included vehicle accidents, electrical fires, fire alarm activations, and one significant structure fire that required assistance from Perry and Pleasant Point fire departments. Our crew also responded to three requests for mutual aid from surrounding towns for fully involved house fires. Eastport Fire Department maintained a roster of 23 firefighters in 2013.

Reportedly submitted,

Clark

of

Public Works

This year as Director of Public Works was a busy one. Howard Johnson and I added Brian to our crew just in time for the winter plowing season. Spring and summer work involved mowing all City properties and parks, transport of recyclables to Lubec, cutting brush, street cleaning, painting the faded crosswalks, and installation of ditches along Prime Street and Deep Street. Storm water and erosion are foremost on our minds as we anticipate the start of low water levels. Improvements on Custom Street thanks to a Maine Coastal Communities grant. A website is online for winter maintenance, including salt and sand.

Reportedly submitted,

Dick Quint

of Public Works

CITY OF EASTPORT, MAINE
 NOTES TO FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

4. LONG-TERM DEBT (Continued)

Description	Balance 7/1/12	Additions	(Reductions)	Balance 6/30/13
Business-type activities:				
<u>Bonds</u>				
MMBB, \$775k, 1.55%				
Due annually until 2019	\$ 362,621.75	\$ -	\$ (49,443.64)	\$ 313,178.11
Total	\$ 362,621.75	\$ -	\$ (49,443.64)	\$ 313,178.11

The annual future principal payment requirement for bonds payable outstanding as of June 30, 2013, is as follows:

Year ending June 30,	Business-type Activities
2014	\$ 50,210.02
2015	50,988.27
2016	51,778.59
2017	52,581.16
2018	53,396.17
2019	<u>54,223.90</u>
Total	<u>\$ 313,178.11</u>

5. FUND BALANCES

At June 30, 2013, the City had the following amounts in Restricted Fund Balance:

School grant funds	\$ 247,002.36
City perpetual care fund	184,022.09
City grant funds	<u>165,124.58</u>
	<u>\$ 596,149.03</u>

The City Council had approved the following amounts to be assigned for future use:

Education	\$ 416,100.70
Capital projects Quilford Mill Building	112,711.61
Capital projects/economic development	91,073.96
Capital projects/economic development boat ramp	75,000.00
Capital projects/economic development street sweeper	70,000.00
Capital reserves	40,000.00
Local road assistance	25,620.00
Police protection	25,000.00
Capital projects A&P Building	19,092.00
Capital projects/economic development land purchase	<u>5,000.00</u>
	<u>\$ 879,598.27</u>

6. PENSION PLANS

Individual Retirement Accounts – City Employees

The City has established an Individual Retirement Account (IRA) program for its employees. Under the plan, employees determine their individual contribution. Only full-time employees are eligible. The City matches the contribution up to 3% of gross wages to each IRA. The City's cost for the year ended June 30, 2013, was \$6,405.88.

**CITY OF EASTPORT, MAINE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

CAPITAL ASSETS (CONTINUED)

Business-type activities:	Balance 7/1/12	Additions	Deletions	Balance 6/30/13
Non-depreciated assets: Land	\$ 153,966.00	\$ -	\$ -	\$ 153,966.00
Total non-depreciated assets	153,966.00	-	-	153,966.00
Capital assets being depreciated:				
Land Improvements	5,946,603.00	-	-	5,946,603.00
Buildings and improvements	4,997,905.00	-	-	4,997,905.00
Equipment and vehicles	121,815.00	-	-	121,815.00
Total capital assets being depreciated	11,066,323.00	-	-	11,066,323.00
Less accumulated depreciation				
Land Improvements	(1,986,172.00)	(99,309.00)	-	(2,085,481.00)
Buildings and improvements	(3,290,856.00)	(165,427.00)	-	(3,456,283.00)
Equipment and vehicles	(121,815.00)	-	-	(121,815.00)
Total accumulated depreciation	(5,398,843.00)	(264,736.00)	-	(5,663,579.00)
Total capital assets being depreciated, net	5,667,480.00	(264,736.00)	-	5,402,744.00
Business-type activities Capital assets, net	\$ 5,821,446.00	\$ (264,736.00)	\$ -	\$ 5,556,710.00

LONG-TERM DEBT

Long-term liability activity for the year ended June 30, 2013, was as follows:

Description	Balance 7/1/12	Additions	(Reductions)	Balance 6/30/13
Governmental activities:				
First, N.A. 2003 \$500k bond, 4.16% due annually until 2014	\$ 105,570.41	\$ -	\$ (52,785.21)	\$ 52,785.20
First, N.A. 2005 \$1.3M bond, 4.55% due annually until 2025	776,091.64	-	(97,561.98)	678,529.66
First, N.A. \$175k n/p, 4.5% due annually until 2015	106,617.65	-	(24,895.82)	81,721.83
Total	\$ 988,279.70	\$ -	\$ (175,243.01)	\$ 813,036.69

Annual future principal payment requirement for bonds payable outstanding as of June 30, 2013, is as follows:

Year ending June 30,	Governmental Activities
2014	\$ 180,766.93
2015	133,860.52
2016	139,993.07
2017	116,672.29
2018	122,041.26
2019	119,702.62
Total	\$ 813,036.69

9/18/2014

**CITY OF EASTPORT
WASTEWATER TREATMENT FACILITY
ANNUAL REPORT 2013/2014**

Address: Jeff Sullivan, Superintendent/Operator
County Road
Eastport, ME 04631
Phone: 207-853-0901
Cellphone: 207-214-9114
Alternate Phone: 207-853-2300

Hours: Monday-Friday 5:00 am. -1:00 pm.
EMAIL: EASTPORTWWTP@YAHOO.COM
CELL PHONE: (207) 214-9114 (after hours)

Mission Statement

The mission of the Eastport Sewer Department is to collect and treat the wastewater that is generated in the City of Eastport. The wastewater is treated to meet or exceed the limits set by the United States Environmental Protection Agency and the State of Maine Department of Environmental Protection. We are also charged with the proper disposal of all bio-solids that are generated by the treatment process.

Organization dynamics and description

The Sewer Department is a department of the City of Eastport, not a separate district. The users fund one hundred percent (100%) of the operation and the maintenance of the department. They also pay forty percent (40%) of the debt retirement of the bonds for the Sewer Department.

The City Council sets the user fees. The user fees are based on the cost of the operation and maintenance costs of the treatment plant and collection system.

The Wastewater Treatment Plant is in operation twenty-four (24) hours a day, three hundred and sixty-five (365) days per year. The treatment plant is manned Monday through Friday from 5 a.m. to 1:00 p.m. On the weekends and holidays, an operator must come into the treatment plant to take the flow readings, do the laboratory tests, and check the plant. At all other times, there is an alarm system that monitors the treatment plant and the pump stations.

The alarm system reports problems directly to the operators.

The Wastewater Treatment Plant processed approximately 49.6 million gallons of wastewater at the Main plant, and approximately 11.1 million gallons at the Quoddy Village plant. The wastewater treatment process generates approximately 205,000 gallons of bio-solids that are composted into approximately 120 yards of compost.

The wastewater treatment plant and compost facility is located at County Road. The collection system has approximately ninety-five thousand (95,000) feet of gravity sewer lines. We also have (8) major pump stations, (19) pumps that are located throughout the collection system.

The City of Eastport owns and operates 8 pump stations at various locations throughout the city. All stations are inspected 2 times a week. During these routine inspections hour reading are taken to verify normal running times and flow throughput. Each pump is started and stopped to ensure proper operation and wet-wells are visually inspected to confirm water levels.

week pump station equipped with emergency generators are tested on emergency power to ensure operation. 3 stations are equipped with generators. At this time no other stations require generators as they allow ample time for city staff to respond to alarm conditions and provide portable generator power in the event of overflows occurring.

The city's pump stations have back-up pumps and alarm systems that automatically call 24 hour personnel in case of a power outage or high-level conditions.

Collection System

This is a summary of the

NON-COMPLIANCE DISCHARGE INCIDENT REPORTS

3/30/2014 .

On 3/30/2014, all pump station normal I continued to monitor pump station at approximately 11:30 am, I noticed high water at middle st pump station. I then adjusted the float switches so that both pumps would run back to normal with both pumps running pumps were able to maintain flow till approximately 1:10 pm. At that time I got a high level alarm . I put the 3rd pump in manual. I was able to maintain the flow till approximately 2:00 pm I got the third high water alarm . All 3 pumps running was unable to keep up with the inflow of water. At this time I called Howard In for the help at around 2:15 pm we started to by-pass pump to the 200 gpm Honda pump. At approximately 4:00 pm the flow was more then the 4 pumps running could handle. So I called Brian in to help. At 4:30 pm we started to by-pass pump from middle st pump station back to the 200 gpm Honda pump. Had to cut back to two of the regulator pumps because the plant was beginning to sur-charge. We worked with the fire truck at about 500 gpm till around 9:30 pm we had to discharge approximately 1000 gallons to the beach. at this time the rain had let up enough so that the pump station pumps could keep up with the inflow. At around 11:30 pm I was able to reset the hi water alarm. Shortly after that I sent Howard In home I continued monitoring everything till around 1:00 am at this time the plant was back in operation. During this event there was approximately 1.4 million gals of water go through the plant . we are currently undergoing a up-grade to our pump station all are done except middle st which is the only place we are still working on this time. And middle st is being up-graded this week with a start up on Friday 4/4/2014 . On Friday, Mar 31 I contacted Clarissa Trasko to inform her of this event and that I would get this report to you as possible

3/30/2014

On 3/30/2014, I called from city hall around 7:30 am about a sewer smell and water in a basement . I went to the house to check the basement . I could not smell any odor and it looked like ground water in the basement . While I was there I checked the residential pump station. It was backed-up . The pump was not running and there is only 1 pump in this wet well. And we do not monitor this station . So with out thinking I turned the pump down the wet well. I realized immediately the mistake that I made and I shut the pump off. Approximately 100 gals to 200 gals was pumped out of the wet well to the storm drain next to the station . At that time I called bunny's septic service to bring their vac truck down and pump out the well . Because there is no sewer lines that go to this station the flow coming in was very little so I checked it over the weekend to make sure that it didn't back-up again till I could find a replacement pump . I found a pump at the plant on Monday morning I replaced the old pump with the new pump and as of 4/14/2014 the pump was back in operation .

4/14/2014

I received a call from Linda Smith 5 Clark st . She informed me that Mike Ward the plumber called her and told her basement had been flooded. I was there last year and found that the old sewer line in her basement was open and it had backed up. It did appear to have sewer in it. So I cleaned up the area and replaced the pipe. On May 9th of this year Mrs Smith called me and told me that her basement was flooded. Howard Johnson, Robert Scott and myself went to 5 Clark st to check the problem out. We found that the old sewer line had been taken out of the pipe . However there didn't appear to be any sewer around the pipe or in the basement. I then found a brass plug and put in the old sewer line.

**CITY OF EASTPORT, MAINE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

2. DEPOSITS AND INVESTMENTS (CONTINUED)

Investments

At June 30, 2013, the City maintained 2 investment accounts in financial institutions that were not covered by federal depository insurance. Investments totaled \$296,930.26 and had a carrying value of \$295,488.76. The entire balance of \$296,960.26 was not protected from custodial credit risk.

3. CAPITAL ASSETS

Governmental activities:	Balance 7/1/12	Additions	Deletions	Balance 6/30/13
Non-depreciated assets: Land	\$ 113,443.00	\$ -	\$ -	\$ 113,443.00
Total non-depreciated assets	113,443.00	-	-	113,443.00
Capital assets being depreciated:				
Land improvements	111,973.00	-	-	111,973.00
Buildings and improvements	9,136,693.00	-	-	9,136,693.00
Equipment and vehicles	1,914,759.00	156,448.00	-	1,914,759.00
Infrastructure	248,484.00	-	-	248,484.00
Total capital assets being depreciated	11,411,909.00	156,448.00	-	11,568,357.00
Less accumulated depreciation				
Land improvements	(77,337.00)	-	-	(77,337.00)
Buildings and improvements	(5,653,880.00)	(241,138.00)	-	(5,895,018.00)
Equipment and vehicles	(1,497,853.00)	(73,273.00)	-	(1,575,126.00)
Infrastructure	(30,322.00)	(6,228.00)	-	(36,550.00)
Total accumulated depreciation	(7,259,392.00)	(324,639.00)	-	(7,584,031.00)
Total capital assets being depreciated, net	4,152,517.00	(168,191.00)	-	3,984,326.00
Governmental activities Capital assets, net	\$ 4,265,960.00	\$ (168,191.00)	\$ -	\$ 4,097,769.00

Depreciation expense is allocated to the following departments of the City:

Education	\$ 112,520.00
Airport	100,718.00
Other	50,290.00
Public safety	32,980.00
Public works	28,131.00
Total	<u>\$ 324,639.00</u>

**CITY OF EASTPORT, MAINE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

CAPITAL ASSETS (CONTINUED)

Business-type activities:	Balance 7/1/12	Additions	Deletions	Balance 6/30/13
Non-depreciated assets: Land	\$ 153,966.00	\$ -	\$ -	\$ 153,966.00
Total non-depreciated assets	<u>153,966.00</u>	-	-	<u>153,966.00</u>
Capital assets being depreciated:				
Land Improvements	5,946,603.00	-	-	5,946,603.00
Buildings and improvements	4,997,905.00	-	-	4,997,905.00
Equipment and vehicles	121,815.00	-	-	121,815.00
Total capital assets being depreciated	<u>11,066,323.00</u>	-	-	<u>11,066,323.00</u>
Less accumulated depreciation				
Land Improvements	(1,986,172.00)	(99,309.00)	-	(2,085,481.00)
Buildings and improvements	(3,290,856.00)	(165,427.00)	-	(3,456,283.00)
Equipment and vehicles	(121,815.00)	-	-	(121,815.00)
Total accumulated depreciation	<u>(5,398,843.00)</u>	<u>(264,736.00)</u>	-	<u>(5,663,579.00)</u>
Total capital assets being depreciated, net	<u>5,667,480.00</u>	<u>(264,736.00)</u>	-	<u>5,402,744.00</u>
Business-type activities Capital assets, net	<u>\$ 5,821,446.00</u>	<u>\$ (264,736.00)</u>	\$ -	<u>\$ 5,556,710.00</u>

LONG-TERM DEBT

Long-term liability activity for the year ended June 30, 2013, was as follows:

Description	Balance 7/1/12	Additions	(Reductions)	Balance 6/30/13
Environmental activities:				
First, N.A. 2003 \$500k bond, 4.16% due annually until 2014	\$ 105,570.41	\$ -	\$ (52,785.21)	\$ 52,785.20
First, N.A. 2005 \$1.3M bond, 4.55% due annually until 2025	776,091.64	-	(97,561.98)	678,529.66
First, N.A. \$175k m/p, 4.5% due annually until 2015	106,617.65	-	(24,895.82)	81,721.83
Total	<u>\$ 988,279.70</u>	<u>\$ -</u>	<u>\$ (175,243.01)</u>	<u>\$ 813,036.69</u>

Annual future principal payment requirement for bonds payable outstanding as of June 30, 2013, is as follows:

Year ending June 30,	Governmental Activities
2014	\$ 180,766.93
2015	133,860.52
2016	139,993.07
2017	116,672.29
2018	122,041.26
2019	119,702.62
Total	<u>\$ 813,036.69</u>

9/18/2014

**CITY OF EASTPORT
WASTEWATER TREATMENT FACILITY
ANNUAL REPORT 2013/2014**

Address: Jeff Sullivan, Superintendent/Operator
County Road
Eastport, ME 04631
Phone: 207-853-0901
Cellphone: 207-214-9114
Alternate Phone: 207-853-2300

Hours: Monday-Friday 5:00 am. -1:00 pm.
EMAIL: EASTPORTWWTP@YAHOO.COM
CELL PHONE: (207) 214-9114 (after hours)

Mission Statement

The mission of the Eastport Sewer Department is to collect and treat the wastewater that is generated in the City of Eastport. The wastewater is treated to meet or exceed the limits set by the United States Environmental Protection Agency and the State of Maine Department of Environmental Protection. We are also charged with the proper disposal of all bio-solids that are generated by the treatment process.

Organization dynamics and description

The Sewer Department is a department of the City of Eastport, not a separate district. The users fund one hundred percent (100%) of the operation and the maintenance of the department. They also pay forty percent (40%) of the debt retirement of the bonds for the Sewer Department.

The City Council sets the user fees. The user fees are based on the cost of the operation and maintenance costs of the treatment plant and collection system.

The Wastewater Treatment Plant is in operation twenty-four (24) hours a day, three hundred and sixty-five (365) days per year. The treatment plant is manned Monday through Friday from 5 a.m. to 1:00 p.m. On the weekends and holidays, an operator must come into the treatment plant to take the flow readings, do the laboratory tests, and check the plant. At all other times, there is an alarm system that monitors the treatment plant and the pump stations.

The alarm system reports problems directly to the operators.

The Wastewater Treatment Plant processed approximately 49.6 million gallons of wastewater at the Main plant, and approximately 11.1 million gallons at the Quoddy Village plant. The wastewater treatment process generates approximately 205,000 gallons of bio-solids that are composted into approximately 120 yards of compost.

The wastewater treatment plant and compost facility is located at County Road. The collection system has approximately ninety-five thousand (95,000) feet of gravity sewer lines. We also have (8) major pump stations, (19) pumps that are located throughout the collection system.

The City of Eastport owns and operates 8 pump stations at various locations throughout the city. All stations are inspected 2 times a week. During these routine inspections hour reading are taken to verify normal running times and flow throughput. Each pump is started and stopped to ensure proper operation and wet-wells are visually inspected to confirm water levels.

PEAVEY MEMORIAL LIBRARY

ANNUAL REPORT

ain saw the effects of a diminishing population and student body on our numbers, most ly in reductions in number of patron visits, youth circulation, and internet use. Despite this, we ry encouraged to see increases in overall circulation numbers, demonstrating that, per capita, ctually up even more notably than simple numbers would indicate. Use of the Maine Infonet ad Library, inter-library loan services, and total program attendance also showed increases. ngly, the increase in use of the Maine Infonet Download Library may be felt in the reduction in isits, as more and more people can access library services and materials from the comfort of ne computer, no longer necessitating a trip to the library.

tion:

hildren's Circulation down 18%, from 2,894 in 2012 to 2,440 in 2013. (with the largest eduction in juvenile books, and a small increase in video circulation.)

Adult Circulation up 6%, from 10,346 items in 2012 to 10,967 items in 2013, (with increases in agazines, audiobooks, videos, downloadable eBooks, downloadable audiobooks.)

Maine Infonet Download Library use up 36%, from 341 items circulated in 2012, to 470 in 013. There were 109 new users in 2013.

total Program attendance up 7%, from 930 attending 88 programs in 2012, to 991 attending 00 programs in 2013.

hildren's Program attendance down 10%, from 614 attending 67 youth programs in 2012, to 57 attending 65 programs in 2013.

Adult Program attendance up 37%, from 316 attending 21 programs in 2012, to 434 attending 5 programs in 2013.

inter-library Loan Services up 14%, from 436 total requests in 2012, to 515 total requests in 013.

Internet Use down 9%, from 4,821 in 2012, to 4,420 in 2013.

Library Visits down 7%, from 17,815 in 2012, to 16,637 in 2013.

90 new regular Library Cards issued; 13 temporary visitor cards issued.

al Accomplishments:

rote Rudman Grant for 2014 seasonal programming, and for a series of Graphic Novel aking workshops and expansion of our Graphic Novel Collection. The Grant was partially nded in the amount of \$550 to cover the Graphic Novel workshops and book purchases. Other asonal programs were not funded.

ccessful Summer Book Sale, with additional support from the newly resurrected Friends of e Library, expanded Boutique Book offerings, and reorganized lobby Book Nook.Sys

cond annual Eastport Recites Project CD released in December 2013, with volunteers Jon alame, Rafi Hopkins and Anna Hepler, and numerous volunteer readers.

utiful and continued collaborations with community organizations to enhance our program ferings: TIMA, with cross-programming Kid's Art Series (32 total attendees); Eat Local spport with 2 Eat Local Music Nights (70 total attendees); Axiom Technologies with mputer classes (68 total attendees); Lawyers in Libraries: Law Day 2013; T.W.I.G.

CITY OF EASTPORT, MAINE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Fund Equity, Revenue, Expenditures, and Expenses
(continued)

Deferred Revenue

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

Property Taxes

Property taxes for the current year were committed on July 18, 2012, on the assessed value listed as of April 1, 2012, for all real and personal property located in the City. Payment of taxes was due October 31, 2012, with interest at 7% on all tax bills unpaid as of the due date.

The City 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 \$7,405.00 for the year ended June 30, 2013.

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

Risk Management

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

The City is a member of the Maine Municipal Association – Worker Compensation Trust Fund ("Fund"). The Fund was created to formulate, develop and administer a program of modified self-funding for the Fund's membership, obtain lower costs for worker compensation coverage and develop a comprehensive loss control program. The City pays an annual premium to the Fund for its workers compensation coverage. The City's agreement with the Fund provides that the Fund will be self-sustaining through member premiums and will provide, through commercial companies reinsurance contracts, individual stop loss coverage for member City's' claims in excess of \$400,000, with an excess limit of \$2,000,000.

The City is a member of the Maine Municipal Association – Property Casualty Pool ("Pool"). The Pool was created to obtain lower rates for its members. The City pays an annual premium for its property and liability coverage. Under the property coverage portion of the Pool, coverage is provided, after the deductible is met, to \$200,000,000. Under the liability portion of the Pool, coverage is provided, after the deductible is met, to \$1,000,000.

**CITY OF EASTPORT, MAINE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Summary of Significant Accounting Policies (Continued)

**Assets, Liabilities, Fund Equity, Revenue, Expenditures, and Expenses
(Continued)**

Ident Fund Balances / Net Position of Individual Non-Major Funds

As of June 30, 2013, the following individual non-major funds had deficit fund balances/net position in the amounts shown:

Special Revenue Fund (School) – Title IA ARRA	\$ 124,740.47
Capital Project Fund (City) – Undesignated Fund Balance	100,921.92
Special Revenue Fund (City) – Undesignated Fund Balance	78,807.85
Special Revenue Fund (School) – Title IA Pass thru to Towns	47,207.30
Special Revenue Fund (School) – Education Jobs Fund	6,753.76
Special Revenue Fund (School) – Local Entitlement	4,756.98
Special Revenue Fund (School) – Title IID	2,262.51
Special Revenue Fund (School) – Gear up program	1,914.36
Special Revenue Fund (City) – Eastport Art Center	1,808.21
Special Revenue Fund (School) – EEG Grant	1,411.58
Special Revenue Fund (City) – Community Enterprise Façade Grant	970.15
Special Revenue Fund (City) – Harbor	947.60
Special Revenue Fund (School) – Local Entitlement Pre-School	176.67
Special Revenue Fund (School) – Title IIA Pass thru to Towns	0.01
	<u>\$ 372,079.37</u>

Use of Estimates

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

DEPOSITS AND INVESTMENTS

Deposits

The custodial credit risk of deposits is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a deposit policy for custodial dit risk.

SB Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either collateralized or collateralized by securities held by the pledging financial institution's trust department but not in the City's name.

As of June 30, 2013, the City maintained 31 separate accounts that qualified for protection under the Federal Deposit Insurance Corporation's (FDIC) depository insurance program. Deposits (cash and investments) totaled \$1,452,458.76 and had a carrying value of \$1,314,207.75. Of the deposited amounts, up to \$250,000 per official custodian per insured institution was protected by depository insurance. Of the remaining balance, \$1,212,797.16 was not protected from custodial credit risk.

Maintenance and Repairs

We are in the process of doing a major up-grade to the facility and all the pump stations. At this time all the pump station has been rebuild, all have new pumps and control panel. All new valves and float switches and a new telemetry system. The upgrades to the Quoddy village plant and the Main plant are in the process of being completed.

Annual routine maintenance has been done on the mixes in the contact tanks, also tanks were emptied and cleaned 2 times over the year.

Annual maintenance to all the pump station was performed as required.

Drying beds were taken apart and cleaned. Other plant maintenance and repairs were performed as required.

We are required by the DEP to do monthly reports, which include weekly lab test on BOD, TCR, Fecal COLIFORM AND TSS. We only had 0 exceedences this year

The sewer dept purchased a new pick-up with a plow in January.

Training

All the staff has had all the required annual training 3/14/2014.

O&M Manual

The O&M manual has been updated to include new equipment that was placed into service over the past year. Updating the plant's O&M manual takes place on an ongoing basis. We have one O&M manual that is used for operational guidelines and minor service to plant equipment. We also keep individual O&M's for every piece of equipment in place at the treatment plant, collection system and pump stations.

Definitions

Biochemical Oxygen Demand (BOD)- The rate at which organisms use oxygen in water or wastewater while stabilizing decomposable matter serves as food for the bacteria and energy results from its oxidation. BOD measurements are used as a measure of the organic strength of wastewater.

Total Suspended Solids (TSS)- TSS are solids that either float on the surface or are suspended in water, wastewater or other liquids.

Total Chlorine Residual (TCR)- This is the amount of chlorine remaining after a given contact time. It is also the sum of the combined available residual chlorine and the free available residual chlorine.

Fecal Coliform- Fecal coliform are the coliform bacteria in the feces of various warm blooded animals.

Border Historical Society

PO Box 95 ~ Eastport, ME 04631



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The Border Historical Society is a 501(c) 3 organization of Eastport area residents committed to preserving local history, educating the public, and operating the Fort Sullivan Barracks Museum, Quoddy Dam Model Museum, Quoddy Craft Shop, and the site at Fort Sullivan and Powder House.

Visit our website at <http://borderhistoricalsociety.com/>
"Like" us on Facebook.

The Society is pleased to report a very busy, successful 2014 year.

1. Thanks to a Community Development Block Grant and a Belvedere Grant, the former Bradish Bakery Building at 68 Water Street has a new façade, including new thermal windows, and ceiling tiles, giving visitors a bright, cheerful setting to watch the rise and fall of the tide in the 1930s Quoddy Dam Model and to shop among the many wonderful crafts.
2. The Barracks Museum now has new supports in the basement, and the floors are slowly and carefully being leveled. Next year visitors will once again be able to walk through the rooms housing much of Eastport's history and research their ancestors in the genealogy center. This work could not have been completed without a substantial private donation and donations from many members and friends of the Society.
3. Quoddy Craft Shop, 72 Water Street, provides most of the operating funds for the Society. Fifty crafters offer a wide selection of quilts and rugs; knitted and crocheted items; hand-made jewelry; pottery; chocolates; walking sticks; paintings, cards, and prints; and wooden model cars, in addition to antiques and Native American baskets.
4. On McKinley Street overlooking Passamaquoddy Bay is the remains of the Powder House built as part of Fort Sullivan in the early 1800s. Member Arthur Carter and his committee are actively involved in writing grants to restore this structure, one of only two remaining in the State of Maine.
5. Held in front of the Quoddy Craft Shop, the Annual July 3 Auction was filled with over 200 donations and earned the highest amount of any BHS auction. Proceeds from the Auction allowed the Society to pay back the money borrowed to complete the façade restoration.
6. July 11/12 were the highlights of the summer during the 200th Anniversary of the Invasion of Eastport by the British. The reenactment of the surrender, an encampment of British soldiers on the library lawn, Oromocto Pipes and Drums, an evening of ballads of the 1800s, panel discussions, and a play brought many visitors from both sides of the Bay to participate in and witness this event. Plans are already made to celebrate in 2018 the 200th anniversary of the departure of the British!

Respectfully submitted,

Phyllis H Siebert
Phyllis Siebert, BHS President

CITY OF EASTPORT, MAINE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting (continued)

Basis of Accounting

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

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

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

Governmental Fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis concept, revenues are recognized when they become measurable (estimable as to the net amount to be collected) and available as current assets.

Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue and expenses not related to capital and related financing, non-capital financing, or investing activities.

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

D. Budgets and Budgetary Accounting

Formal budgetary accounting is employed as a management control for the general fund only. The City's policy is to adopt an annual budget for operations. The City Council approves the budget. Budgets are established in accordance with generally accepted accounting principles.

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

Cash and Cash Equivalents

Cash and cash equivalents include currency on hand, demand deposits with financial institutions, and other accounts with an original maturity of three months or less when purchased. Investments are recorded at fair value.

Interfund Receivables and Payables

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

CITY OF EASTPORT, MAINE
 NOTES TO FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Summary of Significant Accounting Policies (Continued)

**Assets, Liabilities, Fund Equity, Revenue, Expenditures, and Expenses
 (continued)**

Capital Assets and Depreciation

Capital assets, which include property, plant, equipment and infrastructure assets (roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City treats capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical costs estimated historical costs if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

<u>Assets</u>	<u>Years</u>
Buildings and improvements	10-70
Infrastructure	20-50
Machinery and equipment	5-30
Vehicles	5-30

Net Position and Fund Balances

In the Government-wide financial statements, the difference between the City's total assets and total liabilities represents net position. Net position displays three components: invested in capital assets, net of related debt; restricted (distinguished between major categories of restrictions); and unrestricted. Unrestricted net assets represent the net assets available for future operations.

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

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

Restricted – Funds that are restricted for use by an external party, constitutional provision, or enabling legislation.

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

Unassigned – Funds available for any purpose.

Horticultural Consulting with a gardening program series (47 total attendees); University of Maine with Tidal Power program (12 attendees); Eastport Health Center with Affordable Care Act Program (19 attendees); Hosting Bookies Book Group; Alliances with local artists, artisans, writers, travelers and others as guest program facilitators/volunteers.

- On-going weekly Tots Pre-school Program
- Revamped magazine subscription systems, for significant cost savings.
- Undertaking management of all book purchasing accounts.
- Reorganization of library files.
- Reorganized adult fiction stacks with a view to enlarging space, being easier to access, more aesthetically pleasing and user-friendly.
- Newly created Adult and Youth Graphic Novel areas, to reflect their increasing popularity among our patrons.
- Conscious collection development, with focus on current literary adult fiction and non-fiction, core collection materials, quality juvenile and young adult books, and graphic novel/memoir collections.
- Systematic weeding of adult and juvenile fiction, audio cassettes, videocassettes, and selective non-fiction.
- Maintenance of digital catalog for all new acquisitions, generation, organization and placement of new catalog cards.
- Expanded use of Facebook (459 followers) to provide notification of new acquisitions, library and community events, and other items of related interest.
- Successful E-Rate filings (federal funding for our internet access and discounts on phone service); 2012 cycle completed and funded, 2013 & 2014 filings current and in progress.
- Generous volunteer staff, with 3 regular weekly volunteers, and numerous intermittent and seasonal volunteers, assisting with reference/research inquiries, card catalog, circulation desk, shelving, reorganization projects, summer book sale, and program needs.

Goals:

- Expand the reorganization of adult fiction to include the entirety of adult stacks---to create a space that is roomier, more pleasing, easier to access, and provides sufficient space to highlight/display specific (particularly underutilized but good quality) collection materials on a rotating basis.
- Work with the grant-writing committee to secure a grant to expand/redesign the shelving in the children's room, which is at capacity with minimal room for new materials to grow the collection; and to undertake the reorganization effort.
- Keeping an eye to new community collaborations, and maintaining relationships with existing "partners".

As always, the staff takes pride in the resources that the library continues to provide to our patrons and visitors, and recognizes that the support of the Board, volunteers, Friends of the Library, and the community that support us, are essential to our success.

Respectfully submitted,



Dana Chevalier

aid Sewer Bills as of June 30, 2014

im, Nancy	85.21	Thompson, Michele	84.77
hail, Tobi	284.98*	Tibbets, William	83.26
dowlark, LLC	84.60	Townsend, Joseph	84.60
ley, Linda	84.60	Gebo, Mary	911.23*
eiros, David & Kari	1255.70*	Tuverson, Audri	84.65
nson, Andre	658.86*	Vaughan, Julie	752.35*
y, John	10.70	Vinson, Caryn	1756.64*
alf, Sherrie	608.45*	Whelpley, D & Bassett, S	397.00*
hell, James	84.60	Widelski, John	367.71*
res, Wayne	80.44	Young, Joan	436.50*
s Fargo	228.47*	Young, Scott	141.00
issette, Linda	34.21	Youngdale, Sandra	84.60
an, George	84.60		
hy, Kenneth & Evelyn	675.88*		
	197.62		
comb, John	1061.10*		
y, Sheryl	211.50		
ier, Michele	479.97*		
ryboy Inc	2268.74*		
leton, Elizabeth	565.23*		
rson, Thomas	119.85		
o, John	186.24		
tor, Drew	354.75*		
am, Luke	512.35*		
Inc	169.25^		
ddy Tides Foundation	84.82^		
all, Muriel	771.26*		
y, Nancy	112.80		
elf, Wayne	84.60		
ell, Louise Heidi	287.87*		
nan, Dana	84.60		
Donald	736.99*		
l, Mildred	12.00		
ll, Michael	78.45		
er, Victor & Sandra	357.30*		
roli, Alan	1952.04**		
y, Andrew	218.55		
an, Michael & Vanessa	227.85*		
on Norton	84.97		
l, Jason	224.73*		
l, Leslie	53.93		
l, Timothy	84.60		
t, Paul	443.48*		
t, Robin	227.17*		
y, Willard Jr	85.40		
ran, Ralph	84.60		
ners, Mary Jane	1920.70*		
t Dough Inc	2257.32**		
ir, Christina	126.90		

* Denotes liei have been placed on the property

^ Denotes the total reflects more than one property

**CITY OF EASTPORT, MAINE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Eastport, Maine (the City) was incorporated on March 18, 1893. The City of Eastport, Maine operates under a council-manager form of government and is incorporated under the laws of the State of Maine.

The accounting policies of the City conform to U.S. generally accepted accounting principles (GAAP) as applicable to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – For State and Local Governments*, and its amendments, established new financial reporting requirements for governments and caused the City to restructure much of the information presented in the past. The more significant of the government's accounting policies are described below. For enterprise funds, GASB statement Nos. 20 and 34 provide the City the option of electing to apply FASB pronouncements issued after November 30, 1989. The City has elected not to apply those pronouncements. The more significant of the government's accounting policies are described below.

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

B. Basis of Presentation

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

Government-Wide Financial Statements

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

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

CITY OF EASTPORT, MAINE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (continued)

Fund Financial Statements

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

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

C. Measurement Focus and Basis of Accounting

Governmental Fund Types

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

Capital Project Funds – Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities or equipment.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

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

Proprietary Fund Type

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 established fees and charges are based on a pricing policy designed to recover similar costs. The Sewer, Airport and School Lunch Program are enterprise funds for the City.

Fiduciary Fund Type

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore not available to support the City's programs. The reporting focus is on net assets and changes in net assets.

The City's fiduciary funds are presented in the fiduciary fund financial statements by type – private-purpose trust and agency. Since by definition these assets are being held for the benefit of a third party and cannot be used by the City, these funds are not incorporated into the government-wide financial statements.

Unpaid Sewer Bills as of June 30, 2014

Aguilar, Bobbie Jo	587.87*	Fredette, Thomas	84.69
Anchor Lodge	84.60	French, Hugh	84.60
Andrews, Floyd	304.30*	Gardner, Christopher	227.08^
Angel, Rick & Eleni	145.15*	Garner, Amanda	367.76*
Atmore, Samuel	84.74	Garner, Margaret	84.60
Barlow, Joel	84.60	Garrapy, Fern	62.24
NAS Beckett, LLC	84.60	Gathercole, John	84.60
Bouchard, William	98.70	Hansen, Mary	169.20^
Bradbury, Phyllis	84.60	Gholson, David	274.95
Bradbury, William	105.75	Gibson, April	1460.66*
Brass, David	84.95	Gore, Allan	169.20^
Bright, Josphelne	307.26*	Guertin, James	507.53*
Wilson-Broad, Alayna	922.25*	Hansen, Paul	2038.33*
C & S Brown, LLC	84.60	Heirs of Mary J Gardella	70.92
Call, Arnold	42.30	Hickson, Richard	413.85*
Casement, Liam	354.75*	HMS Enterprises	289.05
Cecire, Bernard	120.14	Homan, Diane	710.04*
Downeast Services Corp	639.41*	Hooper, Ben	790.24*
Collins, Thomas	174.78*	Hopkins, Rafi	115.56*
Cook, Anthony	82.25	Inkster, Forest	85.61
Cook, Brenda	2371.85*	Johnson, Roland	84.60
Cook, Richard	554.44*	Jones, Kenneth	354.75*
Cook, Thomas	220.69*	Keegan, Kimberly	84.60
Cornelison, Ann	85.75	Kingsbury, Kenneth	84.60
Daigle, Eugene	85.09	Lacasse, Matthew	633.42*
Davis, Mary	84.60	Landrigan, Chrys	84.60
Dean, Matthew	84.60	Leary, Rick & Patty	84.60
DelPapa, Michael	500.55	Lee, Gary & Catherine	507.53*
Dewitt, Ralph	798.47*	Leighton, Porter	84.60
Diffin, Carmelita	84.60	Linares, Eileen	84.60
Dlpiero, Celeste	84.79	Heirs of Marie Lingley	84.60
Disch, Robert	84.60	MacDonald, Kendra	1929.32*
Doebener, Kay	98.70	Magnano, Jo eph	84.60
Dowell, Victoria & Jeff	113.02	Mahar, Stephen	270.86*
Drake, Robert	84.60	Malroy, Jason	151.15*
Dudley, Linda	85.03	Marin, Alfred	433.18*
Dudley, Shirley	355.35*	Marsh, Michelle	58.26
Earley, Daniel	155.10	Matthews, Ruth	112.71
Eastport Breakwater Gall	84.60	Matusiak, Rick	170.80*
Eastport Maytag Laundry	105.75	McDugald, Hazen	494.40*
Emmert, Richard	84.82	McGarvey, William	169.20^
Foley, Calvin	84.60	McGarvey, Margaret	257.52*
Follis, Richard	278.57*		

* Denotes lien have been placed on the property

^ Denotes the total reflects more than one property

Account	Budget Net	YTD Net
45 - AIRPORT		
04 - HANGAR LEASE	400.00	285.00
06 - AIRPORT MISC	0.00	12,000.00
07 - FUEL FARM SALES	30,000.00	25,389.64
52 - ECONOMIC DEVELOPMENT	0.00	12,099.15
01 - PAYBACK	0.00	12,099.15
61 - BOAT SCHOOL	0.00	1,425.00
66 - MISC	0.00	1,425.00
62 - MILL	95,000.00	75,500.00
01 - PORT/FMT	0.00	7,000.00
03 - MILLENIUM MARINE	35,000.00	3,500.00
10 - TEX SHIELD	60,000.00	65,000.00
63 - A & P	12,000.00	12,000.00
07 - RENT	12,000.00	12,000.00
64 - LANDFILL REMEDIATION	0.00	8,550.00
01 - LANDFILL REMEDIATION	0.00	8,550.00
65 - ENERGY AUDIT GRANT	0.00	3,000.00
01 - ENERGY AUDIT GRANT	0.00	3,000.00
66 - SEWER SRF LOAN	0.00	424,335.08
01 - DEPOSIT	0.00	424,335.08
68 - STONEGARDEN	5000.00	17,006.23
01 - REVENUE	5000.00	17,006.23
75 - HARBOR	0.00	3,130.10
02 - BOAT EXCISE	0.00	3,130.10
76 - MEMA	0.00	1,697.59
50 - CARRY FORWARD	0.00	1,697.59
80 - CDBG	0.00	691,540.00
02 - TIDES INSTITUTE	0.00	168,850.00
03 - COMMUNITY ENTERPRISE	0.00	89,204.00
04 - FIRE STATION	0.00	13,296.00
05 - WWTP	0.00	420,190.00
87 - MICRO LOAN	0.00	420.64
02 - INTEREST	0.00	420.64
Final Totals	944,915.00	3,376,220.12

City of Eastport, Maine
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2013

	Scholarships Fund	Agency Funds
ASSETS		
Cash and cash equivalents	\$ 67,452.86	\$ 57,651.28
Investments	349,359.84	16,781.03
Total assets	416,812.70	74,432.31
LIABILITIES		
Due to school groups	-	74,432.31
Total liabilities	-	74,432.31
NET POSITION		
Net position held in trust for scholarships	\$ 416,812.70	

Statement 9

City of Eastport, Maine
 Statement of Changes in Fiduciary Net Position
 Fiduciary Funds
 For the Fiscal Year Ended June 30, 2013

	Scholarships Fund
ADDITIONS	
Interest and dividends	\$ 9,797.17
Total additions	9,797.17
DEDUCTIONS	
Scholarship expense	9,846.73
Net capital loss	236.10
Miscellaneous expense	675.83
Unrealized loss on investments	1,583.30
Total deductions	12,341.96
Change in net position	(2,544.79)
Net position - beginning (as restated)	419,357.49
Net position - ending	\$ 416,812.70

TREASURER'S REPORT

REVENUE SUMMARY REPORT

Account	Budget Net	YTD Net
01 - ADMIN	262,015.00	248,505.02
03 - CLERK & AGENT FEE	8,000.00	8,862.50
04 - PLUMBING PERMIT FEES	250.00	262.50
06 - TAX LIEN FEE	6,000.00	8,554.26
07 - TAX INTEREST	26,000.00	25,582.76
08 - VETERANS REIMBURSEMENT	4,200.00	4,879.00
09 - TREE GROWTH REIMBURSEMENT	1,000.00	1,135.98
10 - BLDG PERMITS	1,000.00	960.40
11 - RENT & SALE OF CITY PROPERTY	13,000.00	1,400.00
12 - STATE REVENUE SHARING	125,000.00	105,443.94
13 - PARKS' FEE SHARING	3,500.00	3,859.27
14 - EARTH MOVING PERMITS	0.00	20.00
15 - SNOWMOBILE REFUND	65.00	112.54
17 - INSURANCE REIMBURSEMENT	0.00	14,822.71
18 - INVESTMENT INTEREST	1,500.00	3,085.00
23 - HOMESTEAD EXEMPTION	50,000.00	53,647.00
26 - PORT AUTHOR	20,000.00	0.00
36 - BETE REIM	0.00	5,647.00
99 - ADMIN MISC.	2,500.00	10,210.16
05 - PUBLIC WKS	166,000.00	211,530.31
01 - H.D. EXCISE	150,000.00	185,459.22
02 - ROAD AID	16,000.00	23,112.49
04 - H.D. MISC.	0.00	2,958.60
10 - POLICE PROTECTION	6,135.00	1,139.00
01 - GUN PERMITS	60.00	255.00
02 - PARKING TICKETS	250.00	0.00
03 - ACCIDENT REPORTS	325.00	40.00
04 - COURT FEES	0.00	60.00
06 - ANIMAL CTRL	500.00	784.00
15 - CEMETERY	3,200.00	6,180.00
01 - PERPETUAL CARE	100.00	375.00
02 - LOT SALES	500.00	1,725.00
03 - CEMETERY PREPARATIONS	2,500.00	3,850.00
06 - BURIAL PERMITS	100.00	230.00
25 - SEWER	370,165.00	376,777.60
01 - SEWER BILLING REVENUE	361,469.00	358,142.00
02 - SEWER INTEREST REVENUE	2,000.00	4,925.23
03 - SEWER LIEN REVENUE	6,696.00	13,710.37
33 - EDUCATION	0.00	1,243,028.63
01 - STATE REVENUE	0.00	459,855.50
03 - LUNCH MONEY	0.00	53,814.61
99 - MISC	0.00	729,358.52
35 - GENERAL ASSISTANCE	0.00	701.13
01 - GA STATE	0.00	701.13

Account	Budget Net	YTD Net
05 - PUBLIC WKS CONT'D		
25 - GARAGE	26,485.00	28,980.74
10 - EXPENSES	15,250.00	17,807.64
01 - GENERAL	7,500.00	3,691.39
08 - UNIFORMS	700.00	1,030.73
09 - EQUIPT RENTL	1,250.00	850.00
11 - CYL.RENTAL	1,000.00	1,274.55
17 - TRAIN&TRAVEL	500.00	737.32
52 - BLDG REPAIRS	1,800.00	5,132.02
99 - EXPENSE	2,500.00	5,091.63
15 - UTILITIES	11,235.00	11,173.10
01 - ELECTRICITY	3,800.00	3,608.82
02 - HEAT	6,500.00	6,091.33
03 - TELEPHONE	575.00	1,472.95
08 - PTC/INTERNET	360.00	0.00
30 - TRUCKS	20,000.00	21,397.47
10 - EXPENSES	20,000.00	21,397.47
50 - GAS/OIL/FUEL	8,000.00	9,378.95
51 - VEH EQU REP	12,000.00	12,018.52
31 - HEAVY EQUIPT	17,500.00	21,589.40
10 - EXPENSES	17,500.00	21,589.40
50 - GAS/OIL/FUEL	7,500.00	7,680.42
51 - VEH EQU REP	10,000.00	13,908.98
32 - MISC EQUIPT	2,750.00	9,563.61
10 - EXPENSES	2,750.00	9,563.61
50 - GAS/OIL/FUEL	750.00	3,603.96
51 - VEH EQU REP	2,000.00	5,959.65
50 - STREETS	53,000.00	50,014.85
10 - EXPENSES	53,000.00	50,014.85
21 - SALT	7,000.00	9,559.83
22 - ROADS	20,000.00	17,441.86
24 - SUPPLIES/MIS	1,000.00	0.00
25 - SIGNS	1,000.00	847.66
26 - SAND	19,000.00	21,052.50
27 - STORM WATER	5,000.00	1,113.00
10 - POLICE PROT	321,483.00	322,733.95
01 - PAYROLL	279,183.00	262,790.31
01 - PAYROLL	207,340.00	215,256.74
67 - FESTIVALS	0.00	7,180.44
70 - CHIEF	42,840.00	43,480.08
71 - FULL TIME	140,000.00	110,058.04
72 - PART TIME	15,000.00	32,042.04
74 - OVERTIME	9,500.00	22,496.14
02 - FRINGE BENE	71,843.00	54,591.49
20 - FICA/MED	16,244.00	17,735.78
22 - UNEMPLOY	3,200.00	1,879.42
23 - IRA	6,085.00	4,581.24
24 - HEALTH INS.	45,314.00	29,253.85
25 - DISABILITY	1,000.00	1,141.20

City of Eastport, Maine
 Statement of Revenues, Expenses, and Changes In Fund Net Position
 Proprietary Funds
 For the Fiscal Year ended June 30, 2013

	Business-type Activities			
	Sewer	Airport	School Lunch Program	Total Enterprise Funds
Operating revenues:				
Intergovernmental	\$ -	\$ 132,810.00	\$ 49,938.47	\$ 182,748.47
Charges for services	351,042.65	57,571.34	6,731.05	415,345.04
Interest and liens on user fees	13,057.26	-	-	13,057.26
Miscellaneous revenue	886.10	-	-	886.10
Total operating revenues	364,986.01	190,381.34	56,669.52	612,036.87
Operating expenses:				
Administration	102,482.46	-	-	102,482.46
Operations	156,569.65	5,987.76	-	162,557.41
Utilities	22,569.91	3,763.67	-	26,333.58
Product purchases	-	20,183.81	59,885.61	80,069.42
Labor	-	-	30,917.28	30,917.28
Equipment	-	-	3,755.29	3,755.29
Other	-	145,329.50	1,130.12	146,459.62
Depreciation	264,736.00	-	-	264,736.00
Total operating expenses	546,358.02	175,264.74	95,688.30	817,311.06
Operating Income (loss)	(181,372.01)	15,116.60	(39,018.78)	(205,274.19)
Non-operating revenues (expenses):				
Interest expense	(5,620.64)	-	-	(5,620.64)
Total non-operating revenues (expenses)	(5,620.64)	-	-	(5,620.64)
Income (loss) before transfers	(186,992.65)	15,116.60	(39,018.78)	(210,894.83)
Transfers In (out)	-	(301.14)	-	(301.14)
Change In net position	(186,992.65)	14,815.46	(39,018.78)	(211,195.97)
Total net position - beginning (as restated)	5,478,768.30	-	2,697.52	5,481,465.82
Total net position (deficit) - ending	\$ 5,291,775.65	\$ 14,815.46	\$ (36,321.26)	\$ 5,270,269.85

City of Eastport, Maine
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year ended June 30, 2013

	Business-type Activities			
	Sewer	Airport	School Lunch Program	Total Enterprise Funds
operating activities				
from customers	\$ 373,190.68	\$ 70,364.94	\$ 6,731.05	\$ 450,286.67
from grants	886.10	132,810.00	49,938.47	183,634.57
from/ to other funds	(45,947.66)	-	-	(45,947.66)
from/ to other funds	(170,582.28)	(175,431.93)	(64,685.47)	(410,699.68)
for services	(102,482.46)	-	(28,418.44)	(130,900.90)
provided by (used for) operating activities	55,064.28	27,743.01	(36,434.39)	46,372.90
noncapital financing activities				
interest	(49,443.64)	-	-	(49,443.64)
increase on bonds payable	(5,620.64)	-	-	(5,620.64)
deposits (repayments)	-	-	36,434.39	36,434.39
provided by (used for) in noncapital financing activities	(55,064.28)	-	36,434.39	(18,629.89)
increase (decrease) in cash and cash equivalents	0.00	27,743.01	0.00	27,743.01
cash equivalents July 1	0.00	0.00	0.00	0.00
cash equivalents June 30	0.00	27,743.01	0.00	27,743.01
reconciling items				
of operating income (loss) to net cash provided by operating activities				
operating loss	(181,372.01)	15,116.60	(39,018.78)	(205,274.19)
to reconcile operating loss to net cash provided by operating activities:				
expense	264,736.00	-	-	264,736.00
net assets and liabilities:				
decrease accounts receivable	9,090.67	-	-	9,090.67
decrease inventories	-	-	85.55	85.55
decrease interfund receivable	(45,947.66)	12,626.41	-	(33,321.25)
decrease accounts payable	8,557.28	-	-	8,557.28
decrease accrued summer salaries	-	-	2,498.84	2,498.84
adjustments	236,436.29	12,626.41	2,584.39	251,647.09
provided by (used for) operating activities	\$ 55,064.28	\$ 27,743.01	\$ (36,434.39)	\$ 46,372.90

EXPENSE SUMMARY REPORT

Account	Budget Net	YTD Net
01 - ADMIN	359,717.00	344,633.25
01 - ADMIN PAYROL	264,367.00	251,920.20
01 - PAYROLL	187,452.00	179,273.63
01 - CITY MGR	61,000.00	61,006.40
02 - CITY CLERK	33,946.00	34,698.36
03 - TREAS	33,946.00	33,945.60
04 - ADMIN ASST	14,560.00	14,559.72
06 - CEO/ASSESS	33,000.00	33,509.55
08 - OFF. CLERK/PT	11,000.00	0.00
09 - JANITOR	0.00	1,554.00
02 - FRINGE BENE	76,915.00	72,646.57
20 - FICA/MED	14,340.00	13,478.69
22 - UNEMPLOY	3,000.00	1,175.69
23 - IRA	5,264.00	5,294.25
24 - HEALTH INS.	51,311.00	51,018.06
25 - DISABILITY	3,000.00	1,679.88
25 - CITY HALL	95,350.00	92,743.05
10 - EXPENSES	82,900.00	80,816.00
01 - GENERAL	22,000.00	11,872.12
03 - POSTAGE	8,000.00	7,493.78
04 - COMPUTER	11,000.00	15,816.64
10 - MMA&OTHEREXP	3,500.00	3,566.75
12 - REG. OF DEED	2,700.00	5,728.84
13 - ADVERTISING	3,200.00	3,187.45
14 - AUDITING	15,000.00	15,000.00
15 - LEGAL	5,000.00	8,004.32
17 - TRAIN&TRAVEL	3,500.00	3,810.49
37 - CITY MGR	6,000.00	3,341.76
52 - BLDG REPAIRS	1,500.00	853.65
66 - ELECTIONS	1,500.00	2,140.20
99 - EXPENSE	0.00	90.37
15 - UTILITIES	12,450.00	11,897.05
01 - ELECTRICITY	2,000.00	1,671.75
02 - HEAT	4,500.00	4,600.29
03 - TELEPHONE	4,500.00	4,370.65
04 - WATER	1,000.00	882.72
08 - PTC/INTERNET	450.00	371.64
05 - PUBLIC WKS	268,535.00	276,478.59
01 - PAYROLL	148,800.00	144,932.52
01 - PAYROLL	96,091.00	107,393.55
60 - SUPERVISOR	38,200.00	51,555.26
61 - FULL TIME	14,851.00	14,851.20
62 - FULL TIME	27,040.00	28,704.38
67 - FESTIVALS	1,000.00	1,609.48
98 - OVERTIME	15,000.00	10,673.23
02 - FRINGE BENE	52,709.00	37,538.97
20 - FICA/MED	7,351.00	8,313.38
22 - UNEMPLOY	1,400.00	1,133.94
23 - IRA	2,883.00	1,520.84
24 - HEALTH INS.	40,075.00	25,708.91
25 - DISABILITY	1,000.00	861.90

Account	Budget Net	YTD Net
20 - FIRE CONT'D		
22 - UNEMPLOY	800.00	704.17
02 - EFS	17,950.00	9,614.20
15 - UTILITIES	17,950.00	9,614.20
01 - ELECTRICITY	5,800.00	3,749.02
02 - HEAT	10,000.00	4,426.24
03 - TELEPHONE	1,500.00	997.58
04 - WATER	450.00	441.36
08 - PTC/INTERNET	200.00	0.00
03 - FIRE DEP EXP	6,050.00	4,280.86
10 - EXPENSES	6,050.00	4,280.86
01 - GENERAL	750.00	75.71
09 - EQUIPT RENTL	500.00	0.00
17 - TRAIN&TRAVEL	1,500.00	0.00
50 - GAS/OIL/FUEL	600.00	505.41
51 - VEH EQU REP	1,000.00	135.00
52 - BLDG REPAIRS	1,000.00	2,669.95
99 - EXPENSE	700.00	894.79
04 - QV FIRE STAT	2,000.00	1,619.52
15 - UTILITIES	2,000.00	1,619.52
01 - ELECTRICITY	500.00	490.48
02 - HEAT	1,500.00	1,129.04
25 - SEWER	370,165.00	357,296.27
01 - PAYROLL	107,405.00	108,380.76
01 - PAYROLL	73,323.00	75,594.32
40 - SUPERVISOR	42,432.00	42,432.00
41 - OPER. ASST.	14,831.00	14,851.20
42 - FIN. ASST.	14,560.00	14,560.28
98 - OVERTIME	1,500.00	3,750.84
02 - FRINGE BENE	34,082.00	32,786.44
20 - FICA/MED	5,609.00	5,656.43
22 - UNEMPLOY	1,075.00	495.55
23 - IRA	2,200.00	2,089.30
24 - HEALTH INS.	24,437.00	23,816.28
25 - DISABILITY	761.00	728.88
04 - WWTP	231,990.00	209,169.37
05 - SERVICE FEES	20,300.00	11,685.46
01 - REG OF DEEDS	5,800.00	7,385.50
04 - AUDITING	1,500.00	1,500.00
06 - ENGINEERING	2,000.00	0.00
07 - PWD FEES	3,000.00	2,799.96
10 - SWR ADMOFFSE	2,000.00	0.00
11 - SWR INSOFFSE	6,000.00	0.00
10 - EXPENSES	21,700.00	27,441.30
01 - GENERAL	5,000.00	2,853.83
02 - OFFICE	1,000.00	545.79
03 - POSTAGE	3,700.00	4,352.96
05 - CELL/PAGERS	0.00	1,276.68
08 - UNIFORMS	0.00	1,325.26
17 - TRAIN&TRAVEL	1,500.00	2,050.06
20 - GAS/OIL/FUEL	3,500.00	2,489.21
39 - LAB TEST/CAL	0.00	3,297.50

City of Eastport, Maine
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds
to the Statement of Activities
For the Fiscal Year Ended June 30, 2013

Amounts reported for governmental activities in the statement of activities (Statement 2) are different because:	
Net change in fund balances - total governmental funds (from Statement 4)	\$ 86,605.45
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period.	(192,949.00)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. More specifically, this amount represents the change in deferred property taxes and deferred revenues.	12,500.00
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to government funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	175,243.01
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. Specifically, this amount represents the (increase) decrease in accrued compensated absences	(21,202.33)
Change in net position of governmental activities (see Statement 2)	\$ 60,197.13

City of Eastport, Maine
Statement of Net Position
Proprietary Funds
June 30, 2013

	Business-type Activities			
	Sewer	Airport	School Lunch Program	Total Enterprise Funds
Assets:				
cash equivalents	\$ -	\$ 27,743.01	\$ -	\$ 27,743.01
receivable - net of allowance	32,571.16	-	-	32,571.16
at cost	-	23,249.71	2,611.97	25,861.68
balances	25,871.64	(36,177.26)	(36,434.39)	(46,740.01)
net assets	58,442.80	14,815.46	(33,822.42)	39,435.84
Liabilities:				
Current assets:				
land, plant, and equipment	11,066,323.00	-	-	11,066,323.00
accumulated depreciation	(5,663,579.00)	-	-	(5,663,579.00)
depreciable capital assets	153,966.00	-	-	153,966.00
current assets	5,556,710.00	-	-	5,556,710.00
	5,615,152.00	14,815.46	(33,822.42)	5,596,145.04
Current liabilities:				
accounts payable	10,199.04	-	-	10,199.04
summer salaries	-	-	2,498.84	2,498.84
payable - current portion	50,210.02	-	-	50,210.02
current liabilities	60,409.06	-	2,498.84	62,907.90
Long-term liabilities:				
payable - net of current portion	262,968.09	-	-	262,968.09
current liabilities	262,968.09	-	-	262,968.09
	323,377.15	-	2,498.84	325,875.99
Net Position (DEFICIT)				
capital assets, net of related debt	5,145,399.29	-	-	5,145,399.29
(deficit)	146,376.36	14,815.46	(36,321.26)	124,870.55
Net Position (deficit)	\$ 5,291,775.65	\$ 14,015.46	\$ (36,321.26)	\$ 5,270,269.85

Account	Budget Net	YTD Net
10 - POLICE PROT CONT'D		
04 - WATER ST. ST	19,300.00	37,401.53
10 - EXPENSES	10,000.00	26,403.65
01 - GENERAL	2,000.00	1,594.32
05 - CELL/PAGERS	1,000.00	917.20
08 - UNIFORMS	3,000.00	7,311.52
15 - LEGAL	0.00	2,500.00
17 - TRAIN&TRAVEL	2,000.00	1,727.69
67 - FESTIVALS	0.00	132.00
99 - EXPENSE	2,000.00	5,163.00
15 - UTILITIES	9,300.00	10,997.88
01 - ELECTRICITY	3,500.00	3,662.81
02 - HEAT	3,000.00	1,507.80
03 - TELEPHONE	1,700.00	2,922.37
04 - WATER	300.00	220.68
08 - PTC/INTERNET	600.00	2,440.99
09 - SEWER	200.00	243.23
40 - 2003/679	23,000.00	22,542.11
10 - EXPENSES	23,000.00	22,542.11
50 - GAS/OIL/FUEL	18,000.00	18,476.53
51 - VEH EQU REP	5,000.00	4,065.58
15 - CEMETERY	31,631.00	22,447.40
01 - PAYROLL	24,181.00	17,065.46
01 - PAYROLL	21,626.00	15,598.38
60 - SUPERVISOR	15,626.00	15,598.38
61 - FULL TIME	6,000.00	0.00
02 - FRINGE BENE	2,555.00	1,467.08
20 - FICA/MED	1,655.00	1,193.23
22 - UNEMPLOY	900.00	273.85
25 - OFFICE	7,450.00	5,381.94
10 - EXPENSES	7,250.00	4,890.08
01 - GENERAL	0.00	581.78
09 - EQUIPT RENTL	3,500.00	1,440.00
16 - MEMORIAL DAY	750.00	791.50
24 - SUPPLIES/MIS	200.00	305.73
50 - GAS/OIL/FUEL	1,800.00	1,557.01
51 - VEH EQU REP	1,000.00	214.06
15 - UTILITIES	200.00	491.86
01 - ELECTRICITY	200.00	491.86
20 - FIRE	49,900.00	38,550.58
01 - PAYROLL	23,900.00	23,036.00
01 - PAYROLL	21,500.00	20,780.35
30 - CHIEF	5,000.00	5,000.00
31 - ASST. CHIEF	2,500.00	2,500.00
32 - VOLUNTEERS	13,500.00	12,780.35
34 - AIR TANK VOL	500.00	500.00
02 - FRINGE BENE	2,400.00	2,255.65
20 - FICA/MED	1,600.00	1,551.48

Account	Budget Net	YTD Net
25 - SEWER CONT'D		
01 - ELECTRICITY	0.00	272.01
33 - CLARK ST	0.00	877.14
15 - UTILITIES	0.00	877.14
01 - ELECTRICITY	0.00	877.14
34 - DAWSON ST	0.00	398.98
15 - UTILITIES	0.00	398.98
01 - ELECTRICITY	0.00	398.98
35 - MIDDLE ST	0.00	21,770.28
15 - UTILITIES	0.00	21,770.28
01 - ELECTRICITY	0.00	21,770.28
36 - WATER ST	0.00	164.88
15 - UTILITIES	0.00	164.88
01 - ELECTRICITY	0.00	164.88
37 - WATER ST	20,270.00	793.77
15 - UTILITIES	20,270.00	793.77
01 - ELECTRICITY	20,270.00	793.77
40 - MTCE/PUMP ST	5,000.00	0.00
20 - MTCE/REPAIRS	5,000.00	0.00
02 - EQUIPMENT	5,000.00	0.00
41 - MTCE/GENRTRS	1,500.00	2,762.35
20 - MTCE/REPAIRS	1,500.00	2,762.35
02 - EQUIPMENT	1,500.00	2,762.35
30 - PROGRAMS		
01 - DONATIONS	15,000.00	15,000.00
10 - EXPENSES	15,000.00	15,000.00
73 - LIBRARY	10,500.00	10,500.00
74 - SENIOR CITIZ	4,500.00	4,500.00
33 - EDUCATION		
	2,350,497.00	2,800,428.28
01 - PAYROLL	1,508,471.00	1,453,632.30
30 - UNCLASSIFIED	1,508,471.00	1,453,632.30
99 - EXPENSE	1,508,471.00	1,453,632.30
99 - EXPENSE	842,026.00	1,346,795.98
30 - UNCLASSIFIED	842,026.00	1,346,795.98
99 - EXPENSE	842,026.00	1,346,795.98
35 - GA		
	1,000.00	1,451.98
01 - GA	1,000.00	1,451.98
10 - EXPENSES	1,000.00	1,062.98
01 - GENERAL	1,000.00	1,062.98
15 - UTILITIES	0.00	389.00
02 - HEAT	0.00	389.00
42 - SERVICES		
	531,404.00	535,986.13
01 - SERVICES	531,404.00	535,986.13
10 - EXPENSES	531,404.00	535,986.13
30 - STREET LIGHT	18,000.00	20,828.77
31 - HYDRANT	247,404.00	247,400.04
32 - AMBULANCE	101,000.00	101,609.03
33 - SOLID WASTE	165,000.00	166,148.29

City of Eastport, Maine
Balance Sheet
Governmental Funds
June 30, 2013

	General Fund	Major Fund Microloan Loan Fund	All Non-Major Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 667,583.54	\$ -	\$ 310,490.25	\$ 978,073.79
Investments	-	-	112,931.23	112,931.23
Due from other governments	287,152.31	-	-	287,152.31
Grants and other receivables	3,917.19	-	-	3,917.19
Taxes receivable	1,187.56	-	-	1,187.56
Tax liens receivable	251,781.03	-	-	251,781.03
Notes receivable	-	40,052.59	-	40,052.59
Interfund receivables	(82,590.77)	99,492.18	174,431.08	191,332.49
Internal balances	46,740.01	-	-	46,740.01
Total assets	1,129,030.86	139,544.77	597,852.56	1,866,428.19
LIABILITIES				
Accounts payable	127,824.34	-	1,505.33	129,329.67
Due to other governments	188.75	-	-	188.75
Accrued summer salaries	130,775.79	-	-	130,775.79
Interfund payables	191,332.49	-	-	191,332.49
Total liabilities	450,121.37	-	1,505.33	451,626.70
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue-property taxes	202,400.00	-	-	202,400.00
Prepaid property taxes	37,571.75	-	-	37,571.75
Total deferred inflows of resources	239,971.75	-	-	239,971.75
FUND BALANCES				
Nonspendable				
Long-term interfund advances	-	99,492.18	174,431.08	273,923.26
Restricted for:				
Subsequent years' expenditures	-	-	412,126.94	412,126.94
Perpetual care	-	-	184,022.09	184,022.09
Assigned				
Capital projects	-	-	372,877.57	372,877.57
Education	416,100.70	-	-	416,100.70
Reserves	40,000.00	-	-	40,000.00
Local road assistance	25,620.00	-	-	25,620.00
Police protection	25,000.00	-	-	25,000.00
Unassigned	(21,042.95)	40,052.59	(547,110.45)	(528,100.81)
Total fund balances	485,677.75	139,544.77	596,347.23	1,221,569.75
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,175,770.87	\$ 139,544.77	\$ 597,852.56	
Amounts reported for governmental activities in the statement of net position (Statement 1) are different because:				
Depreciable and non-depreciable capital assets as reported on Statement 1				4,097,769.00
Long-term liabilities, including bonds payable, as reported on Statement 1				(915,208.98)
Deferred property taxes not reported on Statement 1				202,400.00
Net position of governmental activities				\$ 4,606,529.77

The accompanying notes are an integral part of this statement.

City of Eastport, Maine
 Statement of Revenues, Expenditures, and Changes in Fund Balances
 Governmental Funds
 For the Fiscal Year Ended June 30, 2013

	General Fund	Major Fund Microloan Program	All Non-Major Governmental Funds	Total Governmental Funds
Property taxes	\$ 2,804,307.70	\$ -	\$ -	\$ 2,804,307.70
Other taxes	177,997.18	-	-	177,997.18
Governmental revenue	1,180,132.60	-	1,137,884.99	2,318,017.59
Grants for services	22,999.67	-	-	22,999.67
Interest income	3,305.26	932.94	3,515.64	7,753.84
Interest and lien fees	4,630.70	-	-	4,630.70
Fees and permits	1,657.60	-	-	1,657.60
Other revenue	(4,062.60)	-	81,930.00	77,867.40
Total revenues	4,190,968.11	932.94	1,223,330.63	5,415,231.68
Capital expenditures	341,906.78	-	-	341,906.78
Public safety	763,459.46	-	-	763,459.46
Public works	261,834.02	-	-	261,834.02
Water and sanitation	156,058.00	-	-	156,058.00
Other operations	2,180,605.10	-	324,699.19	2,505,304.29
Other tax	178,478.00	-	-	178,478.00
Other services	43,531.03	-	852,629.21	896,160.24
Interest on long-term debt	47,655.55	-	-	47,655.55
Other payments of debt	175,243.01	-	-	175,243.01
Total expenditures	4,148,770.95	-	1,177,328.40	5,326,099.35
Surplus (deficiency) of revenues				
(under) expenditures	42,197.16	932.94	46,002.23	89,132.33
Financing sources (uses)				
Receiving transfers in	301.14	-	203,221.30	203,522.44
Receiving transfers (out)	-	-	(203,221.30)	(203,221.30)
Losses on investments	-	-	(2,828.02)	(2,828.02)
Other financing sources (uses)	301.14	-	(2,828.02)	(2,526.88)
Net change in fund balances	42,498.30	932.94	43,174.21	86,605.45
Balances - beginning (as restated)	443,179.45	138,611.83	553,173.02	1,134,964.30
Balances - ending	\$ 485,677.75	\$ 139,544.77	\$ 596,347.23	\$ 1,221,569.75

(Continued)

Account	Budget Net	YTD Net
25 - SEWER CONT'D		
80 - LAB SUPPLIES	5,000.00	4,352.98
83 - DEP	2,000.00	3,091.38
99 - EXPENSE	0.00	1,805.65
13 - CHEMICALS	65,000.00	48,653.85
01 - CHEM#1/CHLOR	55,000.00	37,487.85
03 - CHEM#3/POLY	10,000.00	11,166.00
15 - UTILITIES	28,600.00	25,030.74
01 - ELECTRICITY	12,000.00	11,743.95
02 - HEAT	11,000.00	8,513.78
03 - TELEPHONE	2,400.00	2,324.12
04 - WATER	3,200.00	2,448.89
20 - MTCE/REPAIRS	13,500.00	30,457.13
02 - EQUIPMENT	2,000.00	29,745.58
08 - BUILDING	1,500.00	226.34
09 - SEWER	10,000.00	485.21
30 - UNCLASSIFIED	7,000.00	1,925.00
18 - QV SEPTIC	2,000.00	1,925.00
20 - SEPTAGE NE	5,000.00	0.00
40 - BONDS	75,890.00	63,975.89
05 - SWR RESERVE	10,000.00	0.00
14 - SWR DEBT	55,890.00	53,426.71
15 - SWR INTEREST	10,000.00	10,549.18
22 - PUMP TRUCK	2,000.00	4,156.17
10 - EXPENSES	2,000.00	4,156.17
50 - GAS/OIL/FUEL	1,000.00	0.00
51 - VEH EQU REP	1,000.00	4,156.17
23 - PLANT TRUCK	2,000.00	759.00
10 - EXPENSES	2,000.00	759.00
50 - GAS/OIL/FUEL	1,000.00	0.00
51 - VEH EQU REP	1,000.00	759.00
25 - PERKINS ROAD	0.00	182.54
15 - UTILITIES	0.00	182.54
01 - ELECTRICITY	0.00	182.54
26 - SNYDER #1	0.00	602.01
15 - UTILITIES	0.00	602.01
01 - ELECTRICITY	0.00	602.01
27 - SNYDER #2	0.00	157.77
15 - UTILITIES	0.00	157.77
01 - ELECTRICITY	0.00	157.77
28 - VANESSE ROAD	0.00	6,261.60
15 - UTILITIES	0.00	6,261.60
01 - ELECTRICITY	0.00	5,820.24
04 - WATER	0.00	441.36
30 - HIGH ST	0.00	290.22
15 - UTILITIES	0.00	290.22
01 - ELECTRICITY	0.00	290.22
31 - CANNERY	0.00	297.42
15 - UTILITIES	0.00	297.42
01 - ELECTRICITY	0.00	297.42
32 - CAPEN AVE	0.00	272.01
15 - UTILITIES	0.00	272.01

Account	Budget Net	YTD Net
55 - INSURANCE	57,580.00	65,543.36
01 - INSURANCE	57,580.00	65,543.36
25 - INSURANCE	57,580.00	65,543.36
01 - COMP AUTO	12,719.00	331.00
02 - MULTI PERIL	17,849.00	38,483.00
03 - AIRPORT	1,260.00	1,260.00
04 - PUB. OFFL'S	3,603.00	963.00
05 - LAW ENFORCE	0.00	2,761.86
07 - WORKERS COMP	20,836.00	21,653.50
09 - PERF. BONDS	1,313.00	91.00
61 - BOAT SCHOOL	0.00	70.00
99 - EXPENSE	0.00	70.00
05 - SERVICE FEES	0.00	70.00
05 - LEGAL	0.00	70.00
62 - MILL	46,000.00	89,327.50
99 - EXPENSE	46,000.00	89,327.50
15 - UTILITIES	46,000.00	63,947.48
01 - ELECTRICITY	10,000.00	23,037.20
02 - HEAT	36,000.00	35,279.97
04 - WATER	0.00	4,911.21
09 - SEWER	0.00	719.10
20 - MTCE/REPAIRS	0.00	507.34
08 - BUILDING	0.00	507.34
25 - INSURANCE	0.00	24,356.68
02 - MULTI PERIL	0.00	24,356.68
30 - UNCLASSIFIED	0.00	516.00
99 - EXPENSE	0.00	516.00
63 - A & P	13,600.00	5,634.50
99 - EXPENSE	13,600.00	5,634.50
15 - UTILITIES	8,600.00	5,634.50
01 - ELECTRICITY	3,200.00	3,662.80
02 - HEAT	5,000.00	1,507.80
04 - WATER	200.00	220.68
09 - SEWER	200.00	243.22
20 - MTCE/REPAIRS	5,000.00	0.00
08 - BUILDING	5,000.00	0.00
64 - LANDFILL REM	0.00	9,500.00
01 - LANDFILL REM	0.00	9,500.00
10 - EXPENSES	0.00	9,500.00
99 - EXPENSE	0.00	9,500.00
68 - STONEGARDEN	0.00	24,117.85
01 - GRANTS	0.00	24,117.85
81 - STONEGARDEN	0.00	24,117.85
01 - EXPENSES	0.00	24,117.85

City of Eastport, Maine
Statement of Net Position
June 30, 2013

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 978,073.79	\$ 27,743.01	\$ 1,005,816.80
Investments	112,931.23	-	112,931.23
Due from other governments	287,152.31	-	287,152.31
Accounts receivable	-	32,571.16	32,571.16
Grants and other receivables	3,917.19	-	3,917.19
Taxes receivable	1,187.56	-	1,187.56
Liens receivable	251,781.03	-	251,781.03
Notes receivable	40,052.59	-	40,052.59
Inventory	-	25,861.68	25,861.68
Internal balances	46,740.01	(46,740.01)	-
Capital assets, net of accumulated depreciation	3,984,326.00	5,402,744.00	9,387,070.00
Non-depreciable capital assets	113,443.00	153,966.00	267,409.00
Total assets	5,819,604.71	5,596,145.84	11,415,750.55
LIABILITIES			
Accounts payable	129,329.67	10,100.04	139,528.71
Due to other governments	188.75	-	188.75
Accrued summer salaries	130,775.79	2,498.84	133,274.63
Non-current liabilities:			
Accrued compensated absences	102,172.29	-	102,172.29
Due within one year	180,766.93	50,210.02	230,976.95
Due in more than one year	632,269.76	262,968.09	895,237.85
Total liabilities	1,175,503.19	325,875.99	1,501,379.18
DEFERRED INFLOWS OF RESOURCES			
Prepaid property taxes	37,571.75	-	37,571.75
Total deferred inflows of resources	37,571.75	-	37,571.75
NET POSITION			
Invested in capital assets, net of debt	3,284,732.31	5,145,399.29	8,430,131.60
Restricted for:			
Subsequent years' expenditures	412,126.94	-	412,126.94
Perpetual care	184,022.09	-	184,022.09
Unrestricted	725,648.43	124,870.56	850,518.99
Total net position	\$ 4,606,529.77	\$ 5,270,269.85	\$ 9,876,799.62

City of Eastport, Maine
Statement of Activities
For the Fiscal Year Ended June 30, 2013

Statement 2

Programs	Program Revenues				Net (Expense) revenue Changes in Net Position		Total
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	
Governmental activities:							
Administration	\$ 351,241.71	\$ 9,576.45	\$ -	\$ -	\$ (341,665.26)	\$ -	\$ (341,665.26)
Police	631,769.46	13,423.22	-	-	(618,346.24)	-	(618,346.24)
Fire	261,834.02	-	-	25,620.00	(236,214.02)	-	(236,214.02)
Sanitation	156,058.00	-	336.00	-	(155,722.00)	-	(155,722.00)
Water	2,529,764.45	750,848.59	524,732.26	-	(1,254,183.60)	-	(1,254,183.60)
Public Works	178,478.00	-	-	-	(178,478.00)	-	(178,478.00)
Library	896,160.24	-	3,872.79	703,615.87	(188,671.58)	-	(188,671.58)
Long-term debt	47,655.55	-	-	-	(47,655.55)	-	(47,655.55)
Other	324,639.00	-	-	-	(324,639.00)	-	(324,639.00)
Governmental activities	5,377,600.43	773,848.26	528,841.05	728,235.87	(3,345,675.25)	-	(3,345,675.25)
Business-type activities:							
Water	551,978.66	351,042.65	-	-	-	(200,936.01)	(200,936.01)
Sanitation	176,264.74	57,571.34	132,810.00	-	-	15,116.60	15,116.60
Other program	95,688.30	6,731.05	49,938.47	-	-	(39,018.78)	(39,018.78)
Business-type activities	822,931.70	415,345.04	182,748.47	-	-	(224,838.19)	(224,838.19)
Total primary government	\$ 6,200,532.13	\$ 1,189,193.30	\$ 711,689.52	\$ 728,235.87	\$ (3,345,675.25)	\$ (224,838.19)	\$ (3,570,413.44)
General revenues:							
Property taxes, levied for general purposes					2,818,807.70	-	2,818,807.70
Motor vehicle excise taxes					111,997.18	-	177,997.18
Interest and lien fees					4,630.70	13,057.26	17,687.96
Licenses and permits					1,657.60	-	1,657.60
Grants and contributions not restricted to specific programs:							
State revenue sharing					162,958.27	-	162,958.27
Homestead reimbursement					52,403.00	-	52,403.00
Other					9,059.61	-	9,059.61
Education reimbursements and other revenues							
					97,163.96	-	97,163.96
Miscellaneous revenues							
					77,867.40	886.10	78,753.50
Unrestricted investment earnings					7,753.84	-	7,753.84
Net loss on investments					(2,828.02)	-	(2,828.02)
Transfers					301.14	(301.14)	-
Total general revenues and transfers					3,405,772.38	13,642.22	3,322,250.64
Changes in net position					60,197.13	(211,195.97)	(150,998.84)
Net position - beginning (as restated)					4,546,332.64	5,481,465.82	10,027,798.46
Net position - ending					\$ 4,606,529.77	\$ 5,270,269.85	\$ 9,878,798.62

Account	Budget Net	YTD Net
43 - COUNTY TAX	196,166.00	196,166.00
01 - COUNTY TAX	196,166.00	196,166.00
10 - EXPENSES	196,166.00	196,166.00
34 - COUNTY TAX	196,166.00	196,166.00
44 - CITY DEBT	232,260.00	226,234.60
01 - CITY DEBT	232,260.00	226,234.60
40 - BONDS	232,260.00	226,234.60
01 - CONSOLIDATIO	131,668.00	131,668.00
06 - A&P LOAN	66,224.00	59,967.51
07 - COPIER	4,600.00	4,831.47
12 - HWTRUCK LOAN	29,768.00	29,767.62
45 - AIRPORT	44,890.00	30,054.48
01 - AIRPORT	44,890.00	30,054.48
10 - EXPENSES	10,650.00	7,833.25
06 - FEES	150.00	0.00
50 - GAS/OIL/FUEL	0.00	1,266.63
53 - SNOW REMOVAL	0.00	400.00
82 - AIP MATCH	7,500.00	0.00
99 - EXPENSE	3,000.00	6,166.62
15 - UTILITIES	4,240.00	4,283.94
01 - ELECTRICITY	2,000.00	1,684.16
02 - HEAT	700.00	896.12
03 - TELEPHONE	900.00	1,262.30
04 - WATER	400.00	441.36
08 - PTC/INTERNET	240.00	0.00
50 - FUEL FARM	30,000.00	17,937.29
01 - FUEL PURCHAS	30,000.00	17,937.29
51 - RESERVES	40,000.00	0.00
01 - RES/CAP	40,000.00	0.00
10 - EXPENSES	40,000.00	0.00
99 - EXPENSE	40,000.00	0.00
52 - ECON. DEV.	0.00	73,696.50
01 - ECON. DEV.	0.00	73,696.50
10 - EXPENSES	0.00	73,696.50
81 - EXPENSES	0.00	73,696.50
53 - RECREATION	5,000.00	3,229.46
01 - RECREATION	5,000.00	3,229.46
10 - EXPENSES	5,000.00	3,229.46
85 - RECREATION	5,000.00	3,229.46
54 - OVERLAY	0.00	12,263.18
01 - OVERLAY	0.00	12,263.18
10 - EXPENSES	0.00	12,263.18
97 - ABATEMENTS	0.00	12,263.18

City of Eastport, Maine

**ANNUAL FINANCIAL STATEMENTS
AND ACCOMPANYING
INDEPENDENT AUDITOR'S REPORT**

Year ended June 30, 2013

Office of the
City Manager and
the City Council

Larry Post, City Manager



Phone 207-853-2300
FAX 207-853-4712

**City of Eastport
Management Discussion and Analysis
For Year Ended June 30, 2013**

As Management of the City of Eastport, Maine, this narrative is presented to provide an overview and analysis of the City's financial statements for the year ending June 30, 2013. This is in conjunction with implementation of the Governmental Accounting Standards Board statement No. 34 (GASB 34). This information should be read in conjunction with the financial statements.

Financial Highlights

The City provides services for streets, police, fire, sanitation, education, and health & welfare. The fiscal year is July 1 – June 30.

The City owns and operates a wastewater treatment plant, which is paid by users of the facility. An airport is also owned and operated by the City.

FY 2013 Budget prior to Audit adjustment, consisted of:

Municipal	\$1,974,623
Education	2,263,052
County	<u>178,478</u>
Total	\$4,416,153

No infrastructure capital improvements were done within the year. The Local Road Assistance money of \$25,620 from Maine DOT was carried forward for future use in Capital projects.

Overview of Financial Statements

The City of Eastport financial statements are comprised of:

Government-wide financial statements

Enterprise Funds

Fiduciary Funds

A description of these is in the audit report.

Governmental Funds

The City's total budget was \$4,416,153 for FY 2013. Of this amount \$4,248,539 was expended or transferred to Reserve accounts. Revenues were less than projected.

A comparison of assets, liabilities, revenues and expenditures are listed in the Auditor's Report.

currently has debt in the total amount of \$1,126,215.

and Trust Funds

maintains a number of Reserves and assigned Fund Balances. These total \$437,817 for and \$416,161 for the School.

ic Factors and Future Budgets

has been trying to keep the tax rate stable. However, the infrastructure has been in many areas. Streets and sidewalks need upgrading, as well as equipment. Revenues are declining, as the state continues to not meet its mandated costs of schools and full Sharing. There are many difficult decisions, as we move forward, meeting the needs of students and having a tax rate that is sustainable.

Officially Submitted

A handwritten signature in black ink, appearing to be "P. Foster" or similar, written over a faint circular stamp.

Manager

Account	Budget Net	YTD Net
75 - HARBOR	0.00	3,130.10
99 - EXPENSE	0.00	3,130.10
10 - EXPENSES	0.00	3,130.10
99 - EXPENSE	0.00	3,130.10
80 - CDBG	0.00	1,178,790.67
02 - WWTP	0.00	853,568.76
98 - CDBG	0.00	853,568.76
03 - WWTP	0.00	400,034.21
07 - WWTP CITY MT	0.00	29,199.47
08 - SRF LOAN	0.00	424,335.08
03 - TIDES INST.	0.00	168,059.99
99 - TIDES INSTIT	0.00	168,059.99
02 - CDBG TIDES	0.00	168,059.99
04 - FIRE STATION	0.00	67,958.55
98 - CDBG	0.00	67,958.55
04 - FIRE STATION	0.00	13,296.00
06 - FS CITY MATC	0.00	54,662.55
05 - FACADE GRANT	0.00	89,203.37
98 - CDBG	0.00	89,203.37
05 - FACADE GRANT	0.00	89,203.37
82 - HOLMES SCHOL	0.00	150.00
99 - EXPENSE	0.00	150.00
10 - EXPENSES	0.00	150.00
99 - EXPENSE	0.00	150.00
83 - KILBY SCHOLA	0.00	500.00
99 - EXPENSE	0.00	500.00
30 - UNCLASSIFIED	0.00	500.00
80 - SCHOLARSHIP	0.00	500.00
86 - WALSH SCHOL	0.00	500.00
99 - EXPENSE	0.00	500.00
30 - UNCLASSIFIED	0.00	500.00
80 - SCHOLARSHIP	0.00	500.00
Final Totals	4,934,828.00	6,633,914.63

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Hollingsworth & Associates, CPA, PA

*Douglas R. Hollingsworth, CPA
Stuart R. Dexter
Coreen M. Nicolai, CPA
Abigail J. Weeks
Cleola Luk*

INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Eastport, Maine

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Eastport, Maine, as of and for the fiscal year ended June 30, 2013, which collectively comprise the City's basic financial statements as listed in the table of contents, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Eastport, Maine, as of June 30, 2013, 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.

Matter

iting principles generally accepted in the United States of America require that the
ement's discussion and analysis and budgetary comparison information on pages 6
1 7 and on page 29 be presented to supplement the basic financial statements. Such
ition, although not a part of the basic financial statements, is required by the Governmental
iting Standards Board, who considers it to be an essential part of financial reporting for
the basic financial statements in an appropriate operational, economic, or historical
We have applied certain limited procedures to the required supplementary information in
ance with auditing standards generally accepted in the United States of America, which
ed of inquiries of management about the methods of preparing the information and
ring the information for consistency with management's responses to our inquiries, the
financial statements, and other knowledge we obtained during our audit of the basic
al statements. We do not express an opinion or provide any assurance on the information
e the limited procedures do not provide us with sufficient evidence to express an opinion
ide any assurance.

dit was conducted for the purpose of forming opinions on the financial statements that
vely comprise the City of Eastport, Maine's financial statements as a whole. The
ctory section, combining and individual non-major fund financial statements, and statistical
are presented for purposes of additional analysis and are not a required part of the
al statements. The combining and individual non-major fund financial statements are the
sibility of management and were derived from and relate directly to the underlying
ting and other records used to prepare the financial statements. The information has been
ed to the auditing procedures applied in the audit of the financial statements and certain
al procedures, including comparing and reconciling such information directly to the
ing accounting and other records used to prepare the financial statements or to the
al statements themselves, and other additional procedures in accordance with auditing
ds generally accepted in the United States of America. In our opinion, the information is
tated in all material respects in relation to the financial statements as a whole. The
ctory and statistical sections have not been subjected to the auditing procedures applied in
dit of the basic financial statements and, accordingly, we do not express an opinion or
any assurance on them.

Lupworth & Associates, C.P.A.

, Maine
2014

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