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Financial Report
June 30, 2018

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Independent Auditors' Report

City Council
City of Sanford, Maine

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Sanford, Maine (the City), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Sanford, Maine, as of June 30, 2018, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Notes 1, 13 and 14 to the financial statements, City of Sanford, Maine the adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, on pages 3 through 8, and the Schedule of Proportionate Share of the Net Pension Liability, on page 47, and the Schedule of Contributions, on page 48, Schedule of Changes in Net OPEB Liability and Related Ratios – MMEHT Group Health Insurance Plan, on page 49, Schedule of Proportionate Share of Net OPEB Liability – Group Life Insurance, on page 50, and the Schedule of OPEB Contributions – Group Life Insurance, on page 51, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Sanford, Maine's basic financial statements. The combining and individual fund financial statements, on pages 53-83, are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report, dated November 26, 2018, on our consideration of the City of Sanford, Maine's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Sanford's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Sanford Maine's internal control over financial reporting and compliance.

Wipac LLP

South Portland, Maine
November 26, 2018

CITY OF SANFORD, MAINE
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2018

As management of the City of Sanford, Maine, we present this narrative to provide you with an overview and analysis of our annual financial statements for the year ending June 30, 2018. This information, in conjunction with the basic financial statements following this section, can be considered when reading the City's financial statements.

Financial Highlights

- Total assets and deferred outflows of resources of the City of Sanford exceeded its liabilities and deferred inflows of resources by \$37,513,686. The governmental activities statement of activities showed a decrease of net position of \$3,284,766 for the fiscal year.
- The ending fund balance for all governmental funds combined was \$28,189,571.
- The ending fund balance for the general fund was \$8,854,977, a decrease of \$1,091,914 over last year. The City, excluding the School, has an unrestricted fund balance of \$8,029,773, of which \$898,229 is committed to ongoing capital projects, and \$546,179 is assigned for the subsequent year budget and other purposes. This leaves an unassigned balance of \$6,585,365, which is an adequate surplus. The School Department had \$825,204 assigned for the subsequent year budget.

Overview of the Financial Statement

This discussion and analysis is intended to serve as an introduction to the City of Sanford, Maine's basic financial statements. The City's financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements:

The *government-wide financial statements* provide a broad overview of the City of Sanford, Maine's finances. Financial information is presented in two statements – *Statement of Net Position* and *Statement of Activities*. The *government-wide financial statements* include not only the City of Sanford (known as the *primary government*), but also the legally separate Goodall Park Trust, for which the City is a beneficiary and has been reported as a discretely presented component unit.

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

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

CITY OF SANFORD, MAINE
Management's Discussion and Analysis,
Continued

Both of the statements distinguish between activities of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) and those activities that recover all, or a significant portion of their costs, through user fees and charges (*business-type activities*). Governmental activities include general administration, public safety (police, ambulance and fire), public works, (highway and solid waste disposal), library, recreation programs, county tax, education, charitable aid, cemetery care, debt service and capital maintenance expenses. The City currently reports no business-type activities.

The government-wide financial statements can be found on pages 9 and 10.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Sanford, Maine, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the City can be divided into three categories: Governmental funds, proprietary funds and fiduciary funds.

Governmental funds are used to report most of the City's basic operational services. Operating expenditures and revenues are recorded and the cumulative leftover balance of these activities, which is available for spending in subsequent years, is reported here. These funds are reported using an accounting method called *modified accrual*, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information can help to determine what financial resources are available in the near future to finance the City's activities. The governmental funds financial statements can be found on pages 11 and 12.

Fiduciary funds are used to account for monies held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City of Sanford's operational programs. The City is trustee for a number of funds, the majority of which are scholarships. The fiduciary funds financial statements can be found on pages 15 and 16.

Proprietary funds are used to report activities that are charged to customers for services provided by the City. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. The City currently has no proprietary funds.

Notes to the financial statements – the notes provide additional information that is essential to a full understanding of the data provided and can be found on pages 17-46.

Other Information – the combining and individual fund statements of non-major governmental funds are presented immediately following the notes to the financial statements. These schedules can be found on pages 53-83.

CITY OF SANFORD, MAINE
Management's Discussion and Analysis,
Continued

Statement of Net Position information

The following information is a condensed version of the Statement of Net Position. The analysis below focuses on the net position of the City's governmental activities.

Government Activities

	2018	2017
Assets		
Current & Other	\$ 39,675,174	\$ 82,834,972
Capital Assets - net	135,045,878	93,272,640
Total Assets	<u>174,721,052</u>	<u>176,107,612</u>
 Deferred Outflows of Resources	 <u>7,362,749</u>	 <u>9,354,326</u>
 Liabilities		
Long-term Liabilities	128,257,611	128,769,110
Other Liabilities	10,883,859	11,884,299
Total Liabilities	<u>139,141,470</u>	<u>140,653,409</u>
 Deferred Inflows of Resources	 <u>5,428,645</u>	 <u>4,010,077</u>
 Net Position		
Net Invested in Capital Assets:		
Restricted	42,892,749	46,653,417
Unrestricted	3,649,930	3,726,117
Total Net Position	<u>(9,028,993)</u>	<u>(9,581,082)</u>
	<u>\$ 37,513,686</u>	<u>\$ 40,798,452</u>

The City's net position decreased \$3,284,766 during the fiscal year, which includes a restatement. Program expenses for the primary government totaled \$81,776,628 of which \$39,908,534 of total program revenues are applied for a net expense of \$41,868,094. (See the Statement of Activities, page 10, for a detail breakdown by program unit). This net expense is offset by general revenues and other revenues of \$38,583,328, which resulted in the decrease in net position of \$3,284,766.

CITY OF SANFORD, MAINE
Management's Discussion and Analysis,
Continued

The following schedule, the statement of activities, focuses on changes in net position of the City's governmental activities.

Government Activities

	2018	2017
Program Revenues		
Charges for services	\$ 3,615,830	\$ 2,670,250
Operating grants and contributions	36,292,704	32,439,580
	<u>39,908,534</u>	<u>35,109,830</u>
General Revenues:		
Property and other taxes	33,847,386	34,350,254
Grants and contributions not restricted to specific programs	2,912,979	2,737,575
Investment earnings (loss)	855,923	452,332
Miscellaneous	967,040	570,386
	<u>38,583,328</u>	<u>38,110,547</u>
Total Revenues	<u>78,491,862</u>	<u>73,220,377</u>
Program Expenses:		
General government	9,037,190	8,167,204
Public services	2,524,909	2,417,333
Public safety	11,128,475	9,558,790
Public works	5,594,572	5,968,808
County tax	753,408	734,427
Education	50,166,616	46,034,210
Interest on debt	165,195	206,406
Maintenance	1,644,347	2,284,081
Other	761,916	767,869
Total Expenses	<u>81,766,628</u>	<u>76,139,128</u>
Change in Net Position	(3,284,766)	(2,918,751)
Net Position, Beginning of Year - Restated	40,798,452	43,717,203
Net Position, End of Year	\$ 37,513,686	\$ 40,798,452

The cost of all governmental activities this year was \$81,766,628, which represents an increase of \$5,627,500 from the prior year. Of this amount, Sanford taxpayers funded \$33,847,386 through property, personal and excise taxes. Municipal and educational departments have continued to aggressively pursue grant revenue to cover programs and services and to help reduce the tax burden to residents.

Special revenue fund program expenses are expenditures from City and School funds, such as the City recreation and school programs, and the lunch program and other specifically grant funded programs. These programs are found in the "Other Governmental Funds" section of this report.

Maintenance represents the net amount paid for items that are considered to be repairs and upkeep. Interest on debt indicates the debt service amounts paid from the City general fund, the interest on debt service related to the School Department is included with the Education expense category.

CITY OF SANFORD, MAINE
Management's Discussion and Analysis
Continued

Financial Analysis of the Government's Funds

The City uses fund accounting to segregate specific types of funds/projects and demonstrate compliance with related legal requirements. City-wide fund balances can be seen on the Balance Sheet – Government Funds on page 11.

Governmental funds – The focus of the City's governmental funds is to provide information on fiscal activity and balances of available resources. Each year, the result of the expenses, less revenues received, is added to the beginning fund balance and any unrestricted portion is available for spending at the government's discretion. As indicated in the *Financial Highlights*, the City's governmental funds reported a combined ending fund balance of \$28,189,571.

The *general* fund balance is \$8,854,977, which is a decrease of \$1,091,914 over fiscal 2017. Of the fund balance, \$898,229 is committed for a number of capital plan projects unfinished at year-end, and an additional \$546,179 is assigned for the City, and \$825,204 for the School as carryforward for the subsequent year budget. The unassigned balance is \$6,585,365 for the City.

Although the City had positive budget variances of revenues over expenditures totaling \$2,316,692, the City budgeted to utilize fund balance toward the capital plan and to offset the 2018 commitment, resulting in a decrease in the general fund balance of \$1,116,115, on a budgetary basis, from the prior year. The ending fund balance at June 30, 2018 is considered well within a healthy range. For detail comparing budget to actual expense see the Statement of Revenues, Expenditures and Changes in Fund Balance on page 14.

High School Construction Fund balance of \$15,518,937 reflects the amount remaining to be spent on the construction of the new high school and technical center. The expected total cost of the project is \$102.7 million and was funded by a bond offering during 2017.

Other Governmental Funds balance of \$3,815,657 reflects composite balances of a number of other School and City special revenue funds, capital projects funds and permanent funds.

Capital Asset and Debt Administration

The City of Sanford, Maine's investment in capital assets for its governmental-type activities totaled \$135,045,878 net of accumulated depreciation, as of June 30, 2018. The City's infrastructure values (roads, bridges, sidewalks, etc.) are included in this total. These assets include land, buildings and improvements, vehicles, machinery, equipment and infrastructure. For a detailed listing of the City's capital assets and related depreciation, see page 26 in the Notes to the Financial Statements. In the current year, significant capital asset purchases totaled approximately \$45,412,000, with the more significant additions being a construction in progress for a high school and technical center for approximately \$43,700,000, a new pumper engine for approximately \$332,000, a new ambulance for approximately \$249,000, 3 new police cruisers for approximately \$89,000, and 2 new trucks for approximately \$104,000.

Long-term Debt

The City of Sanford, Maine's long-term liabilities at fiscal year-end total \$128,257,611. The composition of long-term liabilities was, as follows: Bonds and notes payable \$109,493,346, capital leases \$2,054,266, net pension liability of \$11,467,087, compensated absences \$2,435,756, other postemployment benefits – group life \$344,647, other postemployment benefits – group health \$2,247,509, landfill post closure care costs \$215,000, of which \$8,456,898 is due within one year. It should be noted that the State Department of Education contributes significantly on an annual basis to the payment of school related bond debt. Detailed information of the City's various outstanding bonds can be found in the Notes to Basic Financial Statements starting on page 27.

CITY OF SANFORD, MAINE
Management's Discussion and Analysis
Continued

Long-term Debt – continued

State statutes limit the amount of general obligation debt a municipality may issue to 15 percent of the total State's assessed valuation of the City, which is \$1,405,850,000. The current debt limitation for the City of Sanford, Maine is \$210,878,000 and Sanford's total debt is well under this limit.

The City Council and School Committee continue to work at keeping the property tax rate as low as possible and still provide quality services. The rate this year decreased 2.0 mills to 20.74.

Request for Information

This financial report is designed to provide a general overview of the City of Sanford, Maine's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Ronni Lynn Champlin, Finance Director, City of Sanford, Maine, 919 Main Street, Sanford, Maine 04073.

City of Sanford, Maine
Statement of Net Position
June 30, 2018

	Governmental Activities	Component Unit Goodall Park Trust
ASSETS		
Cash and cash equivalents	\$ 35,153,037	\$ 38,961
Investments	829,365	507,243
Receivables:		
Accounts and intergovernmental, net	1,684,360	
Taxes receivable	1,278,751	
Tax liens	568,457	
Interfund loan receivable - fiduciary fund	20,195	
Inventory	31,509	
Land (held for investment)	109,500	
Capital assets, not being depreciated	91,624,445	
Capital assets, net	43,421,433	
Total Assets	174,721,052	546,204
DEFERRED OUTFLOWS OF RESOURCES		
	7,362,749	
LIABILITIES		
Accounts payable and other current liabilities	5,283,930	
Accrued payroll and other related liabilities	4,722,562	
Accrued interest	877,367	
Noncurrent liabilities:		
Due within one year	8,456,898	
Due in more than one year	119,800,713	
Total Liabilities	139,141,470	
DEFERRED INFLOWS OF RESOURCES		
	5,428,645	
NET POSITION		
Net investment in capital assets	42,892,749	
Restricted for:		
Nonexpendable trust principal	6,000	546,204
Expendable permanent funds	1,058,718	
Grants and other purposes	2,585,212	
Unrestricted	(9,028,993)	
Total Net Position	\$ 37,513,686	\$ 546,204

See independent auditors' report.

The accompanying notes are an integral part of these financial statements.

**City of Sanford, Maine
Statement of Activities
For the year ended June 30, 2018**

Functions/programs	Program revenues				Net (expense) revenue and changes in net position	
	Expenses	Charges for services	Operating grants and contributions	Capital grants and contributions	Primary	Component
					governmental activities	unit Goodall Park Trust
Primary government:						
Governmental activities:						
General government	\$ 9,037,190	\$ 1,222,191	\$ 430,168		\$ (7,384,831)	
Public services	2,524,909	70,060	254,115		(2,200,734)	
Public safety	11,128,475	2,240,348	233,820		(8,654,307)	
Public works	5,594,572	83,231	250,398		(5,260,943)	
Education	50,166,616		35,124,203		(15,042,413)	
County tax	753,408				(753,408)	
Interest on debt service	165,195				(165,195)	
Maintenance	1,644,347				(1,644,347)	
Other	761,916				(761,916)	
Total governmental activities	81,776,628	3,615,830	36,292,704		(41,868,094)	
Total primary government	\$ 81,776,628	\$ 3,615,830	\$ 36,292,704		\$ (41,868,094)	
Component unit:						
Goodall Park Trust	\$ 26,861					\$ (26,861)
General revenues:						
Property taxes, levied for general purposes					29,852,227	
Excise taxes					3,598,194	
Payments in lieu of taxes					65,216	
Interest and penalties on taxes					111,323	
Franchise tax					220,426	
Grants and contributions not restricted to specific programs:						
Homestead exemption and business equipment exemption					1,102,031	
Other state aid					275,324	
State revenue sharing					1,495,799	
Donations and contributions					39,825	
Unrestricted investment earnings					855,923	
Restricted investment earnings						57,535
Other					967,040	
Total general revenues					38,583,328	57,535
Change in net position					\$ (3,284,766)	\$ 30,674
Net position - beginning - Restated					40,798,452	515,530
Net position - ending					\$ 37,513,686	\$ 546,204

See independent auditors' report.

The accompanying notes are an integral part of these financial statements.

City of Sanford, Maine
Balance Sheet
Governmental Funds
June 30, 2018

	General	High School Construction	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 8,134,185	\$ 19,394,483	\$ 7,624,367	\$ 35,153,035
Investments			829,365	829,365
Receivables:				
Accounts and intergovernmental, net	859,321		825,039	1,684,360
Taxes receivable	1,063,901			1,063,901
Taxes receivable - prior years	214,850			214,850
Tax liens	568,457			568,457
Interfund loans receivable	5,270,134		795,353	6,065,487
Inventory			31,509	31,509
Land (held for investment)			109,500	109,500
Total assets	\$ 16,110,848	\$ 19,394,483	\$ 10,215,133	\$ 45,720,464
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable and other current liabilities	\$ 1,357,743	\$ 3,866,501	\$ 59,689	\$ 5,283,933
Accrued payroll and other related liabilities	4,419,021		303,540	4,722,561
Interfund loans payable		9,045	6,036,247	6,045,292
Total liabilities	5,776,764	3,875,546	6,399,476	16,051,786
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue-property taxes	1,479,107			1,479,107
Total deferred inflows of resources	1,479,107			1,479,107
Fund balances:				
Nonspendable			147,009	147,009
Restricted		15,518,937	3,816,987	19,335,924
Committed	898,229		489,076	1,387,305
Assigned -School	825,204			825,204
Assigned - City - Subsequent Budget	400,000			400,000
Assigned - City	146,179			146,179
Unassigned - City	6,585,365		(637,415)	5,947,950
Total fund balances	8,854,977	15,518,937	3,815,657	28,189,571
Total liabilities, deferred inflows of resources and fund balances	\$ 16,110,848	\$ 19,394,483	\$ 10,215,133	
Amounts reported for governmental activities in the statement of net position are different because:				
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.				135,045,878
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.				1,479,107
Deferred outflows/inflows of resources represent a consumption/acquisition of net position that applies to a future period, therefore will not be recognized as an expenditure or revenue until then, and therefore, are not reported in the funds				1,934,108
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported in the funds.				
Bonds and notes payable				(109,493,346)
Capital leases				(2,054,266)
Accrued interest				(877,367)
Landfill liability				(215,000)
Other postemployment benefits liability				(2,592,156)
Accrued compensated absences				(2,435,756)
Net pension liability				(11,467,087)
Net position of governmental activities				\$ 37,513,686

See independent auditors' report.
The accompanying notes are an integral part of these financial statements.

City of Sanford, Maine
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2018

	General	High School Construction	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 32,957,038		\$ 694,006	\$ 33,651,044
Licenses and permits	3,137,680			3,137,680
Intergovernmental	34,443,961		4,989,983	39,433,944
Investment income	272,778	\$ 543,635	37,960	854,373
Donations			39,825	39,825
Other	1,334,902		1,003,626	2,338,528
Total revenues	72,146,359	543,635	6,765,400	79,455,394
Expenditures:				
Current:				
General government	8,023,926		1,296,326	9,320,252
Public services	1,983,990		91,640	2,075,630
Public safety	10,817,150		3,995	10,821,145
Public works	3,655,249		22,867	3,678,116
County tax	831,519			831,519
Education	45,654,783		4,965,084	50,619,867
Debt service	646,662			646,662
Capital improvements	2,498,480	41,290,541	3,078,982	46,868,003
Other	761,916			761,916
Total expenditures	74,873,675	41,290,541	9,458,894	125,623,110
Deficiency of revenues over expenditures	(2,727,316)	(40,746,906)	(2,693,494)	(46,167,716)
Other financing sources (uses):				
Transfers in			250,000	250,000
Transfers out	(93,032)		(156,968)	(250,000)
Proceeds from capital leases	1,728,434			1,728,434
Proceeds from bonds			2,400,000	2,400,000
Total other financing sources (uses)	1,635,402	-	2,493,032	4,128,434
Net change in fund balances	(1,091,914)	(40,746,906)	(200,462)	(42,039,282)
Fund balances, beginning of year	9,946,891	56,265,843	4,016,119	70,228,853
Fund balances, end of year	\$ 8,854,977	\$ 15,518,937	\$ 3,815,657	\$ 28,189,571

See independent auditors' report.
The accompanying notes are an integral part of these financial statements.

City of Sanford, Maine
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the year ended June 30, 2018

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds \$ (42,039,282)

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.

Capital outlays, net of loss from dispositions	45,223,654
Depreciation expense	(3,450,416)

Deferred outflows/inflows of resources represents a consumption/acquisition of net position that applies to a future period, therefore will not be recognized as an expenditure until then. (3,431,519)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (125,032)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Accrued interest	70
Landfill	35,000
Compensated absences	(105,192)
Other postemployment benefits expense	(183,630)
Pension expense	3,772,328

Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

Capital lease proceeds	(1,728,434)
Capital lease principal payments	438,179

The issuance of long term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayments of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Bond proceeds	\$ (2,400,000)
General obligation bond payments	631,397
York County debt payments	78,111
	(1,690,492)

Change in net position of governmental activities \$ (3,284,766)

See independent auditors' report.

The accompanying notes are an integral part of these financial statements.

City of Sanford, Maine
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Budgetary Basis)
General Fund
For the year ended June 30, 2018

	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Taxes	\$ 32,704,804	\$ 32,704,804	\$ 32,957,038	\$ 252,234
Licenses, permits and fees	2,620,433	2,620,433	3,137,680	517,247
Intergovernmental	31,731,489	32,222,037	31,850,961	(371,076)
Interest earned	70,000	70,000	272,778	202,778
Other	1,026,372	1,026,372	1,233,979	207,607
Total revenues	68,153,098	68,643,646	69,452,436	808,790
Expenditures:				
Current:				
General government	7,641,551	7,641,551	7,999,686	(358,135)
Public services	1,965,440	1,965,440	1,915,435	50,005
Public safety	9,099,133	9,099,133	9,112,956	(13,823)
Public works	3,620,770	3,620,770	3,655,249	(34,479)
Education	43,326,566	43,817,114	43,061,783	755,331
County tax	831,519	831,519	831,519	
Other	974,728	974,728	761,916	212,812
Debt service	641,717	641,717	643,755	(2,038)
Capital improvements	2,284,985	3,396,709	2,498,480	898,229
Total expenditures	70,386,409	71,988,681	70,480,779	1,507,902
Excess (Deficiency) of revenues over expenditures	(2,233,311)	(3,345,035)	(1,028,343)	2,316,692
Other financing sources:				
Use of designated fund balance		1,111,724		(1,111,724)
Transfer out			(87,772)	(87,772)
Budgeted use of fund balance - City	1,108,311	1,108,311		(1,108,311)
Budgeted use of fund balance - Education	1,125,000	1,125,000		(1,125,000)
Total other financing sources	\$ 2,233,311	\$ 3,345,035	(87,772)	\$ (3,432,807)
Net change in fund balances - budgetary basis			(1,116,115)	
Reconciliation to GAAP basis:				
Change in general fund committed funds			24,201	
Net change in fund balances - GAAP basis			(1,091,914)	
Fund balance, beginning of year			9,946,891	
Fund balance, end of year			\$ 8,854,977	

See independent auditors' report.
The accompanying notes are an integral part of these financial statements.

City of Sanford, Maine
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2018

	Private-purpose Trust Funds	Agency Funds
ASSETS		
Cash and cash equivalents	\$ 210,275	\$ 307,541
Investments	2,578,143	
Total assets	2,788,418	307,541
LIABILITIES		
Interfund loans	20,195	
Due to student groups		307,541
Total liabilities	20,195	307,541
NET POSITION		
Held in trust	\$ 2,768,223	\$ -

See independent auditors' report.
The accompanying notes are an integral part of these financial statements.

City of Sanford, Maine
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the year ended June 30, 2018

	Private-purpose Trust Funds
<hr/>	
Additions:	
Donations, interest and dividends	\$ 292,245
Total additions	292,245
<hr/>	
Deductions:	
School scholarships	108,387
Total deductions	108,387
<hr/>	
Other financing sources (uses):	
Transfers out	-
<hr/>	
Change in net position	183,858
Net position, beginning of year	2,584,365
<hr/>	
Net position, end of year	\$ 2,768,223
<hr/>	

See independent auditors' report.
The accompanying notes are an integral part of these financial statements.

Notes to Financial Statements

June 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Sanford, Maine (the City) have been prepared in accordance with generally accepted accounting principles in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (standards and interpretations), constitute GAAP for governmental units. GAAP also includes guidance from the American Institute of Certified Public Accountants in the publication entitled State and Local Governments. The more significant of the City's accounting policies are described below.

Reporting Entity

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

Goodall Park Trust (the Trust) was established for the benefit of Goodall Park (the Park), which is an outdoor public space for the enjoyment of the citizens of the City of Sanford. The City pays 100% of the salaries for the Parks Department employees that provide the labor for the maintenance and general upkeep to the Park. The Trust provides additional resources for the maintenance of the Park. It was determined that the Trust should be reported as a discretely presented component unit.

Related Organizations:

The City's officials are responsible for appointing the members of the Board of Trustees of the Sanford Housing Authority, but the City's accountability does not extend beyond making the appointments. Thus, the accounts of the Sanford Housing Authority are not included in the accompanying financial statements.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements.

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

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

Notes to Financial Statements

June 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic *resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the City are included on the statement of net position. 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 revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Those revenues susceptible to accrual are property taxes, interest, and charges for services. Other receipts and taxes become measurable and available when cash is received by the City and are recognized as revenue at that time. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The City reports the following major governmental funds:

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

The *high school construction* fund accounts for the construction activity for the new high school and regional technical center.

Additionally, the City reports the following fund type:

Fiduciary funds account for assets held by the City in a trustee capacity or as an agent on behalf of others. The City's fiduciary funds include the following fund types:

Private-purpose trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are, therefore, not available to support the City's own programs.

Agency funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. The funds are used to account for assets that the City holds for others in an agency capacity.

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

Amounts reported as *program revenues* include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. All taxes, including those internally dedicated for specific purposes, are reported as general revenues rather than as program revenues.

Notes to Financial Statements

June 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term certificates of deposit.

Maine statutes authorize the City to invest in obligations of the U.S. Treasury, agencies and instrumentalities, certificates of deposit, repurchase agreements, corporate securities, financial institutions stock and other stock investments.

Investments are reported at fair value. Income earned from the investment of pooled cash is allocable to various funds.

Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, the City uses various methods, including market, income and cost approaches. Based on these approaches, the City often utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and/or the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable inputs. The City utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on the observability of the inputs used in the valuation techniques, the City is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

- Level 1 – Quoted prices for identical assets and liabilities traded in active exchange markets, such as the New York Stock Exchange.
- Level 2 – Observable inputs other than Level 1 including quoted prices for similar assets or liabilities, quoted prices in less active markets, or other observable inputs that can be corroborated by observable market data.
- Level 3 – Unobservable inputs supported by little or no market activity for financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

In determining the appropriate levels, the City performs a detailed analysis of the assets and liabilities. At each reporting period, all assets and liabilities for which the fair value measurement is based on significant unobservable inputs, are classified as Level 3.

Receivables and Payables

All outstanding balances between funds are reported as "interfund loans receivable/payable."

Inventory

Inventories are valued at cost using the first-in, first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

Notes to Financial Statements

June 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, sidewalks, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the City 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 cost or estimated historical cost or at cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. The costs of normal repairs and maintenance that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets of the primary government are depreciated using the straight-line method over the assets' estimated useful lives ranging from 5 to 50 years.

Deferred Outflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an expense or expenditure until then. The City's deferred outflows relate to its pension liability and other post-employment benefits liability and are disclosed in Note 7 and Note 13.

Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. The liability for vacation pay and the buy-out of sick leave is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

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

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The City's deferred inflows on the statement of net position relate to its pension liability and other post-employment benefits liability and are disclosed in Note 7 and Note 13. The City also has one type of deferred inflow, which arises under the modified accrual basis of accounting that qualifies for reporting in this category.

Notes to Financial Statements

June 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Deferred Inflows of Resources – Continued

Accordingly, the item, unavailable revenue, is reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source: property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Fund Equity

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

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

The City Council has the responsibility for committing fund balance amounts and likewise would be required to modify or rescind those commitments. Likewise, the City Council or a body or official delegated by the City Council may assign unspent budgeted amounts to specific purposes in the General Fund at year-end based on Department requests.

Although not a formal policy, when both restricted and unrestricted resources are available for use, it is the City's intent to use restricted resources first, then unrestricted resources as they are needed. When committed, assigned and unassigned resources are available for use, it is the City's intent to use committed or assigned resources first, and then unassigned resources as they are needed.

Use of Estimates

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

Notes to Financial Statements

June 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Recently Adopted Accounting Pronouncements

In June 2015, the GASB issued GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)*. This statement improves accounting and financial reporting by state and local governments for OPEB. The new statement is effective for periods beginning after June 15, 2017. The adoption of this statement is disclosed in Note 13.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

An annual budget is adopted by the City Council for the General Fund. The budget is prepared substantially in accordance with accounting principles generally accepted in the United States of America, except that the General Fund revenues and expenditures related to "on-behalf payments" made by the State of Maine to the Maine Public Employees Retirement System for teachers and certain other school employees and also the proceeds and related expenditures under capital leases are not budgeted. The legal level of control is at the department level. The accounting system is employed as a budgetary management control device to monitor the individual departments.

Excess of Expenditures over Appropriations

For the year ended June 30, 2018, expenditures exceeded appropriations in the following categories:

City Council	\$ 7,159	Legal Services	\$ 50,882
Administration	4,735	Insurance Property & Casualty	7,095
Economic Growth Council	427	Employee Insurance/Benefits	289,375
Information Systems	1,786	Regional Communication	48,111
Code Enforcement	25,077	Public Works	36,709
Assessing	524	Recreation	15,829
Treasurer/City Clerk	9,342	General Obligation	2,038
		Miscellaneous	1,323

Deficit Fund Balances

At June 30, 2018, the following funds had deficit fund balances over \$10,000:

250 th Anniversary	\$ 18,350	Title IIA – Teacher Quality	\$ 42,057
Title IA	135,191	Sanford Airport Solar	15,277
IDEA – Local Entitlement	116,367	Consolidated Elementary	34,311
ECT Grant (Preschool)	14,995	SRE Building Airport	284,100

These deficits which for the most part are the result of the timing of billing, will be funded by future grant revenue, charges for services or future bond proceeds or the General Fund.

Notes to Financial Statements

June 30, 2018

NOTE 3 – CASH AND INVESTMENTS

Deposits and Investments

Custodial credit risk – deposits: Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's policy is to have its deposits covered by F.D.I.C. insurance or by additional insurance purchased on behalf of the City by the respective banking institution. As of June 30, 2018, of the City's bank balance of \$39,255,028, none of the balance was exposed to custodial credit risk due to being uninsured and uncollateralized. All of the City's deposits were covered by the F.D.I.C. or by additional insurance purchased on behalf of the City by the respective banking institutions in the City's name.

Custodial credit risk – investments: For investments, this is the risk that in the event of failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The City's policy is to have its deposits covered by S.I.P.C. insurance or by additional insurance purchased on behalf of the City by the respective banking institution. All of the City's \$131,715 investment in money market and repurchase/sweep agreements was covered by the S.I.P.C. or by additional insurance purchased on behalf of the City by the respective banking institutions in the City's name. These are treated as cash equivalents for financial statement purposes.

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

	Fair Value	Less Than 1 Year	1-5 Years	More Than 5 Years
Cash equivalents	\$ 130,939	\$ 130,939		
Fixed income	840,358	120,048	\$ 720,310	
Mutual funds (1)	181,586		Not applicable	
Equities	2,228,582		Not applicable	
Maine Community Foundation	<u>533,286</u>	<u>319,972</u>	<u>213,314</u>	
Total investments	<u>\$ 3,914,751</u>	<u>\$ 570,959</u>	<u>\$ 933,624</u>	

Investments have been reported, as follows:

Reported in governmental funds	\$ 829,365
Reported in component unit funds	507,243
Reported in fiduciary funds	<u>2,578,143</u>
Total investments	<u>\$ 3,914,751</u>

Interest Rate Risk: The City does not have a policy related to interest rate risk.

Credit Risk and Concentration of Credit Risk: Maine statutes authorize the City to invest in obligations of the U.S. Treasury and U.S. agencies, repurchase agreements and certain corporate stocks and bonds. The City does not have a formal policy related to credit risk. With respect to concentration of credit risk the City does not have any investments exceeding 5% of the total portfolio.

Notes to Financial Statements

June 30, 2018

NOTE 3 – CASH AND INVESTMENTS – CONTINUED

Deposits and Investments – Continued

Fair Value

Fair values of assets measured on a recurring basis at June 30, 2018 are, as follows:

June 30, 2018	Total	Level 1	Level 2	Level 3
Cash equivalents	\$ 130,939	\$ 130,939		
Mutual funds	181,586	181,586		
Equities	2,228,582	2,228,582		
Fixed income	840,358	840,358		
Maine Community Foundation	533,286	159,986	\$ 159,986	\$ 213,314
	<u>\$ 3,914,751</u>	<u>\$ 3,541,451</u>	<u>\$ 159,986</u>	<u>\$ 213,314</u>

The Maine Community Foundation (MCF) holds fourteen investment accounts for the School Department, which are included in the MCF's general investment pool. The investments held by MCF were allocated to level 1, 2, and 3 on a pro-rata basis according to the classifications as presented in MCF's most recently issued financial statements. MCF issues a publicly available financial report, which can be obtained by visiting their website.

NOTE 4 – RECEIVABLES AND PROPERTY TAXES

Receivables

Receivables as of year-end for the City's individual major funds and nonmajor funds in the aggregate are, as follows:

	General Fund	Nonmajor Funds	Total
Receivables			
Taxes	\$ 1,278,751		\$ 1,278,751
Liens	568,457		568,457
Accounts and intergovernmental	859,321	\$ 825,039	1,684,360
Net total receivables	<u>\$ 2,706,529</u>	<u>\$ 825,039</u>	<u>\$ 3,531,568</u>

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the deferred inflows of resources are reported in the governmental funds, as follows:

Deferred inflows of resources	Unavailable
Unavailable revenue – property taxes (general fund)	<u>\$ 1,479,107</u>

Notes to Financial Statements

June 30, 2018

NOTE 4 – RECEIVABLES AND PROPERTY TAXES – CONTINUED

Property Tax

Property taxes for the current year were committed on August 16, 2017, on the assessed value listed as of the prior April 1st for all real and personal property located in the City. Assessed values are periodically established by the City's Assessor at 100% of assumed market value. The assessed value represented 95.9% of the estimated State valuation of \$1,405,850,000.

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 \$242,357 for the year ended June 30, 2018.

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

Property taxes levied during the year were recorded as receivables at the time the levy was made. The receivables collected during the year and in the first sixty days following the end of the fiscal year have been recorded as revenues. The remaining receivables have been recorded as deferred inflows of resources in the fund financial statements.

The following summarizes the 2018 levy:

Assessed value	\$ 1,408,187,280
Tax rate (per \$1,000)	<u>20.74</u>
Commitment	29,205,804
Supplemental taxes assessed	<u> </u>
Total levy	29,205,804
Less collections	<u>28,133,881</u>
Current year taxes receivable	1,278,751
Prior year taxes receivable	<u>568,457</u>
Receivable at end of year	<u><u>\$ 1,847,208</u></u>
Due date(s)	½ September 15, 2017 ½ March 15, 2018
Interest rate on delinquent taxes	7%
Collection rate	96.3%

Notes to Financial Statements

June 30, 2018

NOTE 4 – RECEIVABLES AND PROPERTY TAXES – CONTINUED

Interfund Receivables and Payables – Continued

Individual interfund loans receivable and payable balances and transfers at June 30, 2018 were, as follows:

Fund	Interfund Loans Receivable	Interfund Loans Payable
General Fund	\$ 5,270,134	
High School Interim Financing Fund		\$ 9,045
Other Governmental Funds	795,353	6,036,247
Fiduciary Funds		20,195
Totals	<u>\$ 6,065,487</u>	<u>\$ 6,065,487</u>

NOTE 5 – CAPITAL ASSETS

Capital Assets

Governmental Activities	Balance June 30, 2017	Increases	Decreases	Balance June 30, 2018
Capital assets, not being depreciated				
Land	\$ 4,405,653		\$ (115,300)	\$ 4,290,353
Construction in progress	43,601,290	\$43,699,802		87,301,092
Artwork	33,000			33,000
Total capital assets, not being depreciated	<u>48,039,943</u>	<u>43,699,802</u>	<u>(115,300)</u>	<u>91,624,445</u>
Capital assets, being depreciated				
Land improvements	1,102,076			1,102,076
Buildings and improvements	25,940,364		(116,604)	25,823,760
Machinery and equipment	7,694,693	644,125	(18,780)	8,320,038
Vehicles	6,325,479	1,068,731	(589,775)	6,804,435
Library supplies	1,566,315			1,566,315
Infrastructure	75,510,903			75,510,903
Total capital assets being depreciated	<u>118,139,830</u>	<u>1,712,856</u>	<u>(725,159)</u>	<u>119,127,527</u>
Less accumulated depreciation for:				
Land improvements	(575,585)	(25,595)		(601,180)
Buildings and improvements	(12,655,548)	(621,424)	91,562	(13,185,410)
Machinery and equipment	(5,249,016)	(470,791)	18,780	(5,701,027)
Vehicles	(3,924,724)	(454,355)	541,114	(3,837,965)
Library supplies	(1,560,333)	(1,833)		(1,562,166)
Infrastructure	(48,941,928)	(1,876,418)		(50,818,346)
Total accumulated depreciation	<u>(72,907,134)</u>	<u>(3,450,416)</u>	<u>651,456</u>	<u>(75,706,094)</u>
Total capital assets being depreciated, net	<u>45,232,696</u>	<u>(1,737,560)</u>	<u>(73,703)</u>	<u>43,421,433</u>
Governmental activities capital assets, net	<u>\$93,272,639</u>	<u>\$41,962,242</u>	<u>\$ (189,003)</u>	<u>\$135,045,878</u>

Notes to Financial Statements

June 30, 2018

NOTE 5 – CAPITAL ASSETS – CONTINUED

Capital Assets – Continued

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

Governmental activities	
General government	\$ 26,359
Public safety	271,275
Public works, including depreciation of general infrastructure assets	1,951,745
Public services	448,990
Education	<u>752,047</u>
 Total depreciation expense	 <u>\$ 3,450,416</u>

NOTE 6 – LONG-TERM DEBT

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2018 was, as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds and notes payable	\$107,724,743	\$ 2,400,000	\$ (631,397)	\$109,493,346	\$8,058,428
Note payable – York County	78,111		(78,111)	-	
Capital leases	764,011	1,728,434	(438,179)	2,054,266	363,470
Net pension liability	15,239,415		(3,772,328)	11,467,087	
Compensated absences	2,330,564	105,192		2,435,756	
Other post-employment benefits – group life	435,670		(91,023)	344,647	
Other post-employment benefits – group health	1,972,856	274,653		2,247,509	
Landfill postclosure care costs	250,000		(35,000)	215,000	35,000
Long-term liabilities	<u>\$128,795,370</u>	<u>\$ 4,508,279</u>	<u>\$(5,046,038)</u>	<u>\$128,257,611</u>	<u>\$8,456,898</u>

Note Payable – York County

During the fiscal year ended June 30, 2013, York County changed its fiscal year end and assessed county tax over a six-month interim period. The amount of tax assessed to the City of Sanford, Maine totaled \$390,559. The City has an agreement with the County to pay the \$390,559 in five equal annual payments of \$78,112, starting on December 31, 2013 and ending December 31, 2017. As of June 30, 2018, the City had paid off the remaining balance in full.

Notes to Financial Statements

June 30, 2018

NOTE 6 – LONG-TERM DEBT – CONTINUED

Capital Leases

The City and School Department have lease agreements for equipment and vehicles. Those leases qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of future minimum lease payments as of the date of their inception in the government-wide financial statements. The following is a schedule of future minimum lease payments under the capital leases and the present value of the minimum lease payments at June 30, 2018:

Fiscal Year Ending	
2019	\$ 435,747
2020	429,702
2021	384,469
2022	298,009
2023	194,056
Thereafter	<u>594,045</u>
Total minimum lease payments	2,336,028
Less amount representing interest	<u>(281,762)</u>
Present value of future minimum lease payments	<u>\$ 2,054,266</u>

Long Term Debt

	Originally Issued	Date Original Amount Issued	Date of Maturity	Interest Rate	Ending Balance
Bonds and notes payable:					
Nasson College Academic					
Building Bonds	\$ 131,000	1969	2019	3.00%	\$ 3,968
Roundabout/Millyard	3,650,000	2008	2024	2.075-5.575%	1,140,000
Police Station Part 1	3,210,000	2010	2029	2.00-5.50%	2,221,375
Police Station Part 2	3,000,000	2010	2030	2.06-5.75%	2,137,737
Brownfield Revolving Loan Fund	181,000	2014	2025	3.00%	121,183
School Energy Improvements	1,500,000	2014	2024	0.43-2.65%	1,050,000
School Construction 1	100,419,083	2017	2037	1.54-4.18%	100,419,083
School Construction 2	<u>2,400,000</u>	2018	2019	1.96%	<u>2,400,000</u>
Total bonds and notes payable	<u>\$114,491,083</u>				<u>\$109,493,346</u>

The annual debt service requirements to amortize bonds and notes payable are, as follows:

Years Ending June 30,	Principal	Interest	Total
2019	\$ 8,058,428	\$ 3,260,470	\$ 11,318,899
2020	5,665,353	3,193,892	8,859,245
2021	5,678,381	3,072,628	8,751,009
2022	5,692,161	2,936,986	8,629,147
2023	5,707,018	2,791,874	8,498,892
2024-2028	27,459,819	11,659,107	39,118,926
2029-2033	26,127,415	7,430,094	33,557,509
Thereafter	<u>25,104,771</u>	<u>2,575,473</u>	<u>27,680,244</u>
Totals	<u>\$109,493,346</u>	<u>\$ 36,920,524</u>	<u>\$146,413,870</u>

Notes to Financial Statements

June 30, 2018

NOTE 6 – LONG-TERM DEBT – CONTINUED

In accordance with 30 MRSA, Section 5061, as amended, no municipality shall incur debt for specified purposes in excess of certain percentages of state valuation of such municipality. Additionally, no municipality shall incur debt in the aggregate in excess of 15% of its State assessed valuation. At June 30, 2018, the City's outstanding debt did not exceed these limits.

Landfill Closure and Postclosure Care Costs

Under State law, Maine communities had until December 31, 1994 to close existing landfills under a Maine Department of Environmental Protection (DEP) approved plan. Prior to 1995, the DEP expressed a strong concern over leachate emanating from the former landfill operation at Rushton Street. The landfill was closed in 1982 under a consent decree with the DEP, and has not accepted waste since that time. A portion of the site continues to be used as a staging area for certain demolition debris and other waste and the City's transfer station is located adjacent to the closed landfill. The DEP retained, at its expense, an engineering firm to determine the extent of contamination and the estimated cost of remedial actions needed and, in June 1995, issued a Department Order designating the site as an Uncontrolled Hazardous Substance Site and naming the City as a responsible party. The City had also retained an engineering firm, which presented the City a report depicting several remedial options with estimated costs ranging from \$5,000,000 to \$15,000,000.

During fiscal year 1996, negotiations with the DEP continued, and in April 1996, the DEP approved the City's "conceptual closure remedy," which was projected to cost \$6,350,000. In addition, annual costs of monitoring the site and of operation and maintenance of the remedy were projected to approximate as much as \$230,000. Based on the approval, the City recorded a liability of \$10,950,000, representing the initial capital costs and anticipated monitoring costs over a 20-year period, at June 30, 1996.

Authorization for issuance of bonds to be used for financing the project was subject to approval at a City meeting prior to commencement of the actual remedial activities envisioned by the plan. The November 1996 City Meeting did not approve the financing of a \$6,350,000 remedy. However, it appropriated funds for a thorough review of alternative remedies, and in May 1997, it appropriated \$1,200,000 for final remedial design and construction of a phased-in remedy. Phases one and two, involving the relocation of the waste, grading of the landfill, and installation and improvement of drainage and the monitoring of effects of these improvements, were completed at a cost of approximately \$950,000 during fiscal years 1997-1999. In November 1999, the City agreed to the stipulations contained in an Administrative Order issued by the DEP. This order called for phase three site activities, as well as relocation of a demolition debris staging area. Phase three construction, which started in fiscal 2000, was completed during fiscal 2001 at a cost of approximately \$2,316,000. Funding for phase three of the project was provided by the utilization of \$980,000 of state reimbursement, \$739,000 of funds previously set aside by the City, and \$597,000 of undesignated surplus approved at the October 12, 1999 City meeting, which consists of \$147,000 appropriated prior to July 1, 2000 and a supplemental appropriation of approximately \$450,000 during fiscal 2001. Phase three included capping the current construction and demolition debris areas, additional grading, construction of a slurry wall, and installation of extraction wells and pumps.

Notes to Financial Statements

June 30, 2018

NOTE 6 – LONG-TERM DEBT – CONTINUED

Landfill Closure and Postclosure Care Costs – Continued

The City completed phase three improvements in 2000 and since then, has been operating the landfill remediation system. If the DEP determines that the City's remedial action has not caused surface water quality to meet the State's Class B surface water standards, the City and the DEP "shall meet to jointly evaluate the technical feasibility of further remediation under this paragraph [paragraph 34 of the Administrative Order], and the Respondent [City] shall perform further remediation as required by the DEP subject to" the Order's dispute resolution provisions. Under the terms of the DEP Administrative Order, the City was to submit a study report by December 31, 2004 to demonstrate the effects that these phased improvements had on water quality in the southern tributary of the Mousam River and discuss with the DEP what, if any, additional remediation measures must be undertaken at the Site. That report was submitted and discussions did occur.

The testing to date shows significant water quality improvement, but the data also shows that the southern tributary of the Mousam River is exceeding certain water quality parameters. To this date, no additional remediation measures have been determined to be necessary. Data collected up to and including 2013 continue to show that the corrective actions are performing as intended in the remedial design. While it is possible that the City will be required to spend additional amounts at this site, those amounts, if any, are unknown at this time. In the past, it has been stated that it is possible that the ultimate cost of the project may be less than the amounts recorded on the government-wide financial statements if no further remedial actions are necessary, and that no further adjustment to such provision will be reflected until such time as the results of phases one, two, and three discussed above are known. In July 2004, the City submitted the semi-annual report, and in December 2004, the City submitted the "Remedial Action Evaluation Report" and the 2004 annual report. In 2009, the City submitted the next scheduled remedial action assessment. The "2008 Annual Report," dated February 2009, observed improving water quality as a result of the City's activities, and the 2008 Annual Report indicates that the corrective actions "are performing as intended by the remedial design." The "2010 Annual Water Quality Report/2010 Remedial Action Evaluation Report," submitted to the DEP on December 30, 2010, indicated that the 2005 to 2010 remedial actions are capable of maintaining the improved water quality conditions in the Southern Tributary. The "2011 Annual Water Quality Report" continues to indicate that the "remedial actions are capable of maintaining the improved water quality conditions in the Southern Tributary, despite significant additional water flux at the landfill and a variety of unusual natural conditions." The "2012 Annual Water Quality Report" continues to indicate the remedial actions can maintain stable Southern Tributary Water Quality, and that "this provides the necessary protection to maintain Class C criteria in the Mousam River." The City continues to perform routine testing and files electronic semi-annual and written annual reports to the DEP. The City has met the objective of reducing contamination in the Southern Tributary and has demonstrated that the remedial actions can maintain improvements. In the event that the stable water quality parameters achieved through the remediation project deteriorate or regulations change, the City would likely commission additional engineering evaluation and determine the scope and cost of future improvements. Therefore, at June 30, 2018, the City's recorded liability representing the remaining cost related to closure and post closure is \$175,000. This is based upon 5 additional years of monitoring the site at an annual cost of \$35,000 per year. Actual costs may increase due to the results of monitoring, inflation, changes in technology, or changes in laws and regulations.

In August 1994, a former privately-owned landfill operation (Whichers Mill), to which the City had contributed and directed solid waste, was permanently closed. The City will be responsible for maintaining and monitoring the former landfill site and has recorded such estimated future costs, totaling \$40,000, as a liability in the government-wide financial statements. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

Notes to Financial Statements

June 30, 2018

NOTE 6 – LONG-TERM DEBT – CONTINUED

Overlapping Debt

The City is subject to an annual assessment of its proportional share of York County expenses, including debt repayment, as determined by the percentage of the City's State valuation to the County's State valuation. At June 30, 2018, the City's share is 4.50%, or \$175,500 of York County's \$3,900,000 long-term debt outstanding as of June 30, 2018.

Conduit Debt

The City has, from time to time, assisted third parties in financing capital activities by participating in conduit debt transactions. The City is not obligated in any manner for this debt and, as a result, has not reported these liabilities or any related assets in the basic financial statements. The outstanding principal balance of conduit debt, as of June 30, 2018, was \$1,193,709.

NOTE 7 – PENSION PLANS

Plan Descriptions

The City contributes to the Maine Public Employees Retirement System as part of the State Employee and Teacher Plan (the Teacher Plan) and also the Participating Local District Consolidated Plan (the PLD plan) or (the Plans), which are cost sharing multiple employer defined benefit pension plans. The Plans were established as the administrator of a public employee retirement system under the Laws of the State of Maine. The City School Department's teaching certified employees, plus other qualified educators, are eligible to participate in the Teacher Plan. The Teacher Plan covers 236 participating employers. The City's general services, public works, Sanford Regional Communication Center, and management group, police and fire employees and the City School Department's custodians, school lunch personnel, and other non-teacher personnel including, some ed techs, central office employees, and secretaries employees have the option to participate in the PLD Plan. The PLD Plan covers 300 participating employers.

Employee membership data related to the Plans system wide, as of June 30, 2017 was, as follows:

	Teachers	PLD
Current participants: Vested and non-vested	39,836	11,195
Terminated participants: Vested	8,010	2,234
Terminated participants: Inactive due refunds	38,463	7,274
Retirees and beneficiaries receiving benefits	34,870	9,006
	<u>121,179</u>	<u>29,709</u>

Notes to Financial Statements

June 30, 2018

NOTE 7 – PENSION PLANS – CONTINUED

Plan Descriptions – Continued

Benefit terms are established by Maine statute, in the case of the PLD Plan, an advisory group, also established by statute, reviews the terms of the Plan and periodically makes recommendations. The Plans' retirement programs provide defined retirement benefits based on members' average final compensation and service credit earned as of retirement. Vesting (i.e., eligibility for benefits upon reaching qualification) occurs upon the earning of five years of service credit (effective October 1, 1999, the prior ten year requirement was reduced by legislative action to five years). In some cases, vesting occurs on the earning of one year of service credit immediately preceding retirement at or after normal retirement age. Normal retirement age for Teacher Plan members is age 60, 62 or 65. The normal retirement age is determined by whether a member had met certain creditable service requirements on specific dates, as established by statute. For PLD Plan members, normal retirement age is 60. The monthly benefit of members who retire before normal retirement age by virtue of having at least 25 years of service credit is reduced by a statutorily prescribed factor for each year of age that a member is below her/his normal retirement age at retirement. The Plans also provide disability and death benefits which are established by statute for State employee members and by contract with other participating employers under applicable statutory provisions.

Upon termination of membership, members' accumulated employee contributions are refundable with interest, credited in accordance with statute. Withdrawal of accumulated contributions results in forfeiture of all benefits and membership rights. The annual rate of interest credited to members' accounts is set by the Plan's Board of Trustees and is currently 2.45%.

For the year ended June 30, 2018, the City's total payroll for all employees was \$31,880,418. Total covered payroll was \$20,082,752 for the Teacher Plan and \$9,960,653 for the PLD Plan. Covered payroll refers to all compensation paid by the City to active employees covered by the Plan.

Contributions

The contribution requirements of the Teacher Plan members are defined by law or the Plan's Board. Teacher Plan members of the City School Department are required to contribute 7.65% of covered compensation to the Teacher Plan. The employees' contributions are deducted from the employee's wages or salary and remitted by the City School Department to the Teacher Plan on a monthly basis. The State is statutorily required to contribute 11.08% of annual Teacher wages, excluding wages covered by grants, which pays for the unfunded liability for the teachers. Employer contribution rates are determined through actuarial valuations. The City School Department's required contribution rate for the year ended June 30, 2018 was 3.97% of annual Teacher payroll, plus 11.08% for grant fund wages, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year (normal cost contributions). The City School Department's contributions to the Teacher Plan for the year ended June 30, 2018 were \$923,482.

The contribution requirements of the PLD Plan members are defined by law or the Plan's Board. Employees of the City and City School Department are required to contribute between 7.5-9.0% of covered compensation to the PLD Plan. The contributions are deducted from the employee's wages or salary and remitted by the City School Department to the Plan on a monthly basis. Employer contribution rates are determined through actuarial valuations. The City and City School Department's required contribution rate for the year ended June 30, 2017, was between 10.1% and 15.7% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City School Department's and the City's contributions to the Plan for the year ended June 30, 2018 were \$1,365,640.

Notes to Financial Statements

June 30, 2018

NOTE 7 – PENSION PLANS – CONTINUED

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

Teacher Plan

At June 30, 2018, the City School Department reported a liability for its proportionate share of the net pension liability that reflected a reduction of State pension support provided to the City School Department. The amount recognized by the City School Department as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the City School Department were, as follows:

City School Department's proportionate share of the net pension liability	\$ 1,464,273
State's proportionate share of the net pension liability associated with the City School Department	<u>22,309,645</u>
Total	<u>\$ 23,773,918</u>

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City School Department's proportion of the net pension liability was based on a projection of the School Department's long-term share of contributions relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2017, the City School Department's proportion was 0.101 percent, which was a decrease of 0.03 from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the School Department recognized pension expense of \$712,753 and revenue of \$1,876,391 for support provided by the State. In addition, the School Unit reported deferred outflows of resources and deferred inflows of resources from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual results	\$ 61,584	
Changes of assumptions		\$ 22,869
Net difference between projected and actual earnings on Plan investments	408,519	430,055
Changes in proportion and differences between contributions and proportionate share of contributions	100,620	254,105
Contributions subsequent to the measurement date	<u>923,482</u>	
Total	<u>\$ 1,494,205</u>	<u>\$ 707,029</u>

Notes to Financial Statements

June 30, 2018

NOTE 7 – PENSION PLANS – CONTINUED

Teacher Plan - Continued

The \$923,482 of deferred outflows of resources, resulting from the City School Department's contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be netted and recognized in pension expense (reduction in expense), as follows:

Years ending June 30,	
2019	\$ (44,625)
2020	(23,085)
2021	9,789
2022	<u>(78,386)</u>
Total	<u><u>\$(136,307)</u></u>

PLD Plan

At June 30, 2018, the City and the City School Department reported a liability of \$10,002,814 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City and the City School Department's proportion of the net pension liability was based on a projection of the City and the City School Department's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2017, the City and the City School Department's proportion was 2.44, which was a decrease of less than 1% from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the City and the City School Department recognized pension expense of \$1,313,128. At June 30, 2018, the City and the City School Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual results		\$ 480,564
Changes of assumptions	\$ 851,176	
Net difference between projected and actual earnings on Plan investments	3,447,256	3,722,309
Changes in proportion and differences between contributions and proportionate share of contributions		406,209
Contributions subsequent to the measurement date	<u>1,365,640</u>	
Total	<u><u>\$ 5,664,072</u></u>	<u><u>\$ 4,609,082</u></u>

Notes to Financial Statements

June 30, 2018

NOTE 7 – PENSION PLANS – CONTINUED

PLD Plan - Continued

The \$1,365,640 of deferred outflows of resources, resulting from the City's contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be netted and recognized in pension expense (reduction in expense), as follows:

Years ending June 30,	
2019	\$ (461,182)
2020	764,455
2021	67,109
2022	<u>(681,031)</u>
Total	<u>\$ (310,649)</u>

Actuarial Assumptions

The total pension liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	Teachers Plan 2.20% and PLD Plan 2.20%, per annum
Salary increases	Teachers Plan 2.75%-14.5% and PLD Plan 2.75%-9.0%, per year
Investment rate of return	Teachers Plan 6.875% and PLD Plan 6.875%, per annum, compounded annually

Mortality rates were based on the RP-2014 Total Dataset Health Annuitant Mortality Table for Males or Females, as appropriate.

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

Notes to Financial Statements

June 30, 2018

NOTE 7 – PENSION PLANS – CONTINUED

Actuarial Assumptions - Continued

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

Asset Class	Target Allocation %	Long-term Expected Real Rate of Return
Public equities	30%	6.0 %
Private equities	15%	7.6 %
Real estate	10%	5.2 %
Infrastructure	10%	5.3 %
Diversifiers	10%	5.9 %
U.S. government	7.5%	2.3 %
Traditional credit	7.5%	3.0 %
National resources	5%	5.0 %
Alternative credit	5%	4.2 %
Total	100%	

Discount Rate

The discount rate used to measure the total pension liability was 6.875% for the Teacher Plan and for the PLD Plan. The projection of cash flows used to determine the discount rate assumed that employee contributions would be made at the current contribution rate and that contributions from employers would be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

Teacher Plan

The following presents the City School Department's proportionate share of the net pension liability calculated using the discount rate of 6.875%, as well as what the City School Department's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.875%) or 1-percentage-point higher (7.875%) than the current rate:

	Discount rate	City and School Department's proportionate share of net pension liability
1% decrease	5.875%	\$ 2,569,365
Current discount rate	6.875%	\$ 1,464,273
1% increase	7.875%	\$ 551,862

Notes to Financial Statements

June 30, 2018

NOTE 7 – PENSION PLANS – CONTINUED

PLD Plan

The following presents the City and the City School Department's proportionate share of the net pension liability calculated using the discount rate of 6.875%, as well as what the City and the City School Department's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.875%) or 1-percentage-point higher (7.875%) than the current rate:

	<u>Discount rate</u>	<u>City and School Department's proportionate share of net pension liability</u>
1% decrease	5.875%	\$ 20,068,718
Current discount rate	6.875%	\$ 10,002,814
1% increase	7.875%	\$ 2,424,748

Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued Maine Public Employees Retirement System financial report.

On-Behalf Payments

The State of Maine makes a contribution to the Maine Public Employees Retirement System Teachers Fund for the teachers of the City School Department. The actual payment, which is made by the State, is determined by an actuary for the entire teachers' fund. The Maine Public Employees Retirement System estimates the payment made on-behalf of the City School Department to approximate 11.08% of the qualified teachers' salaries, plus an additional 2.61% for health insurance. For the year ended June 30, 2018, the total amount of on-behalf payments was approximately \$2,593,000 and was recognized in the fund financial statements. The amount of on-behalf payments recognized in the government wide financial statements for pension expense was approximately \$1,684,000.

Notes to Financial Statements

June 30, 2018

NOTE 8 – FUND BALANCES AND NET POSITION

Fund Balances

As of June 30, 2018, fund balance components consisted of the following:

	General Fund	High School Construction	Other Governmental Funds	Total
Nonspendable:				
Inventory			\$ 31,509	\$ 31,509
Land held for investment			109,500	109,500
Principal for permanent funds			6,000	6,000
Total Nonspendable			<u>147,009</u>	<u>147,009</u>
Restricted:				
Special revenue funds			2,867,769	2,867,769
Capital project funds – City				
Capital project funds – High School construction		\$15,518,937		15,518,937
Permanent funds			949,218	949,218
Total Restricted		<u>15,518,937</u>	<u>3,816,987</u>	<u>19,335,924</u>
Committed:				
Capital plan	\$ 898,229			898,229
Capital projects			489,076	489,076
Total Committed	<u>898,229</u>		<u>489,076</u>	<u>1,387,305</u>
Assigned:				
Subsequent budget – School	825,204			825,204
Subsequent budget – City	400,000			400,000
Various assigned funds	146,179			146,179
Total Assigned	<u>1,371,383</u>			<u>1,371,383</u>
Unassigned:				
City	6,585,365		(637,415)	5,947,950
	<u>6,585,365</u>		<u>(637,415)</u>	<u>5,947,950</u>
Total Fund Balance	<u>\$ 8,854,977</u>	<u>\$15,518,937</u>	<u>\$ 3,815,657</u>	<u>\$28,189,571</u>

Net Position

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

Notes to Financial Statements

June 30, 2018

NOTE 8 – FUND BALANCES AND NET POSITION – CONTINUED

Net Position – Continued

The City's net investment in capital assets was calculated as follows at June 30, 2018:

	Governmental Activities
Capital assets	\$210,751,972
Accumulated depreciation	(75,706,094)
Bonds and notes payable	(109,493,346)
Capital leases	(2,054,266)
Unspent bond proceeds	19,394,483
	<hr/>
Net investment in capital assets	<u>\$ 42,892,749</u>

NOTE 9 – TAX ABATEMENTS AND TAX INCREMENT FINANCING DISTRICTS

The City entered into property tax abatement agreements (credit enhancement agreements) with local businesses under Municipal Tax Increment Financing Districts approved by the State of Maine Department of Economic and Community Development. Under the agreements, the City may grant reimbursement limited to incremental taxes from the new actual increased assessed value projected at 25 percent to 95 percent of the increase. The agreements maybe granted to businesses located within the City that is providing economic development.

For the fiscal year ended June 30, 2018, the City abated property taxes totaling \$257,258 under the program, including the following tax abatement agreements that each exceed 10 percent of the total amount abated:

An 85 percent property tax abatement to a rug manufacturer that is a significant employer in the City. The abatement is to assist the employer to retain employees and to expand the business. The abatement amounted to \$70,516.

A 95 percent property tax abatement to a encourage redevelopment of a mill building located in the City. The abatement amounted to \$61,077.

All the remaining businesses abatements in the aggregate totaled \$125,664 with a percent of property tax abatement ranging from 50 percent to 100 percent.

The City also has a Route 109 tax increment financing district with total tax captured of \$385,099 for which the tax revenues are set aside and utilized for marketing of the City's downtown and mills as an investment site, promotional events and operational and administrative support for the Office of Economic Affairs.

Notes to Financial Statements

June 30, 2018

NOTE 10 – OPERATING LEASES

The City and School Department have several lease agreements for equipment, office space and portable classrooms. Those leases qualify as operating leases for accounting purposes and, therefore, only the current year payment has been recorded in the financial statements.

The following is an analysis of the payments due under operating leases as of June 30, 2018:

Fiscal Year Ending		
2019	\$	122,624
2020		22,053
2021		<u>2,243</u>
Total operating lease payments due	\$	<u>146,920</u>

NOTE 11 – OTHER INFORMATION

Risk Management

The City is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, and natural disasters for which the City either carries commercial insurance, participates in a public entity risk pool, or is effectively self-insured. Currently, the City participates in a public entity risk pool sponsored by Maine Municipal Association for workers' compensation. Based on the coverage provided by these pools, as well as coverage provided by commercial insurance purchased, the City is not aware of any material actual or potential claim liabilities which should be recorded at June 30, 2018.

NOTE 12 – DEFERRED COMPENSATION PLAN

The City of Sanford, Maine offers certain employees a deferred compensation plan created in accordance with Internal Revenue (IRC) Section 457. The Plan permits participating employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Assets of the Plan are placed in trust for the exclusive benefit of participants and their beneficiaries. Accordingly, the assets and the liability for the compensation deferred by plan participants, including earnings on plan assets, are not included in the City's financial statements.

NOTE 13 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

The City has three OPEB plans which employees participate in for which separate disclosure information is provided below.

State Employee and Teacher Plan and Participating Local District Consolidated Plan – Retiree Group Life Insurance

General Information

Plan description. Teaching-certified employees of the City are provided with OPEB through the State Employee and Teacher Plan – Retiree Group Life Insurance (SET Plan) and certain non-teaching employees are provided with OPEB through the Participating Local District Consolidated Plan – Retiree Group Life Insurance (PLD Plan), both plans are a cost-sharing multiple-employer defined benefit OPEB plan administered by the Maine Public Employees Retirement System (MPERS). State of Maine Statutes grants the authority to establish and amend the benefit terms to the MPERS Board of Trustees. MPERS issues a publicly available financial report that can be obtained at www.maineopers.org.

Notes to Financial Statements

June 30, 2018

NOTE 13 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) – CONTINUED

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

Contributions. Premium rates are those determined by the System's Board of Trustees to be actuarially sufficient to pay anticipated claims. Premiums for basic life insurance coverage for retired teachers are paid by the State as the total dollar amount of each year's annual required contribution. PLD employers are required to remit a premium of \$0.46 per \$1,000 of coverage for covered active employees, a portion of which is to provide a level of coverage in retirement. PLD employers with retired PLD employees continue to remit a premium of \$0.46 per \$1,000 of coverage per month during the post-employment retired period. Contributions to the OPEB plan from the City were \$21,439 for the year ended June 30, 2018. Employees are not required to contribute to the OPEB plan.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the SET plan, the City's proportionate share of the OPEB liability is \$0 and the State's proportionate share of the OPEB liability is \$634,127.

At June 30, 2018, the City reported a liability of \$344,647 for its proportionate share of the collective net OPEB liability. The collective net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of that date. The City's proportion of the collective net OPEB liability was based on a projection of the City's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2017, the City's proportion was 2.061 percent, which was an increase of 0.134 from its proportion measured as of June 30, 2016 (1.927 percent).

For the year ended June 30, 2018, the City recognized OPEB expense of \$17,532. At June 30, 2018, the City's reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience		
Changes of assumptions		\$ 96,034
Net difference between projected and actual earnings on OPEB plan investments		16,500
Changes in proportion and differences between City premiums and proportionate share of premiums	\$ 25,354	
City contributions subsequent to the measurement date	21,439	
Total	<u>\$ 46,793</u>	<u>\$ 112,534</u>

Notes to Financial Statements

June 30, 2018

NOTE 13 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) – CONTINUED

Of the total amount reported as deferred outflows of resources related to OPEB, \$21,439 resulting from City contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the City's OPEB expense, as follows:

Year ended June 30,	
2019	\$ (18,261)
2020	(18,261)
2021	(18,261)
2022	(18,261)
2023	(14,136)
Total	<u>\$ (87,180)</u>

Actuarial assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2017, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	SET and PLD Plan 2.75 percent
Salary increases	SET Plan 2.75%-14.5% including inflation and PLD Plan 2.75%-9% including inflation
Investment rate of return	SET and PLD Plan 6.875% per annum, compounded annually
Healthcare cost trend rates	Not applicable to the group life insurance plan

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

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Public equities	70%	6.0%
Real estate	5%	5.2%
Traditional credit	16%	3.0%
US Government securities	9%	2.3%
Total	<u>100%</u>	

Notes to Financial Statements

June 30, 2018

NOTE 13 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) – CONTINUED

The discount rate used to measure the collective total OPEB liability was 6.875% for 2017 for the SET Plan. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and non-employer entity contributions will be made at contractually required rates, actuarially determined. Based on these assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on SET Plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

The discount rate used to measure the total OPEB liability for the PLD Plan was 5.41%, which is a blend of the assumed long-term expected rate of return of 6.875% and a municipal bond index rate of 3.58%, based on the Bond Buyer GO 20-Year Municipal Bond Index as of June 30, 2017. Projections of the Plan's fiduciary net position indicate that it is not expected to be sufficient to make projected benefit payments for current members beyond 2052. Therefore, the portion of future projected benefit payments after 2052 are discounted at the municipal bond index rate. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at contractually required rates, actuarially determined.

Sensitivity of the City's proportionate share of the collective net OPEB liability to changes in the discount rate. The following presents the City's proportionate share of the collective net OPEB liability, as well as what the City's proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.41 percent) or 1-percentage-point higher (6.41 percent) than the current discount rate:

	1% Decrease (4.41%)	Discount Rate (5.41%)	1% Increase (6.41%)
City's proportionate share of the collective net OPEB liability	\$ 462,538	\$ 344,647	\$ 251,577

On-behalf payments are recognized on the government-wide financial statements, on a full accrual basis, based on the SET OPEB plan benefits expense attributed to the State of Maine in the amount of \$70,500.

Retiree Group Health Insurance Plan

General Information

Plan description. The City sponsors another post-retirement benefit (OPEB) plan that provides health insurance (Health Plan) to retiring employees. The Health Plan is a single-employer defined benefit OPEB plan administered by the Maine Municipal Employees Health Trust (MMEHT). The City Council has the authority to establish and amend the benefit terms and financing requirements.

MMEHT does not issue a separate financial report for its OPEB as the City does not fund an OPEB plan and operates on a pay-as-you-go basis. Employers fund their own benefits. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Notes to Financial Statements

June 30, 2018

NOTE 13 – OTHER POST EMPLOYMENT BENEFITS – CONTINUED

Benefits provided. The Health Plan provides healthcare and life insurance benefits for retirees and their dependents. City employees over the age of 55 with 5 years of continuous service at retirement are eligible to participate in the Health Plan. Retirees who are not eligible for Medicare retain coverage in the same group health plan as active employees. Retirees must pay for Medicare Part B coverage to be eligible to participate in the State-sponsored employer funded Companion Plan.

Plan Membership. At June 30, 2018, the following were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	24
Active employees	<u>132</u>
	<u>156</u>

Total OPEB Liability

The City's total OPEB liability of \$2,247,509 was measured as of January 1, 2018, and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs. The total OPEB liability in the January 1, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

General inflation of 3.00% was used along with an aggregate payroll increase of 2.75%. Merit payroll increases, mortality, termination, disability and retirement assumptions relied on the System's June 30, 2012 through June 30, 2015's experience study. Mortality rates were based on the RP-2014 Total Dataset Healthy Annuitant Mortality Table for Males or Females. The mortality improvement scale RPEC-2015 was modified to converge to an ultimate rate of 0.85 percent for ages 20 to 85 grading down to 0.00 percent for ages 111 to 120 with convergence to the ultimate rate in 2020.

The discount rate was based on high quality AA/Aa or higher bond yields in effect for 20-year, tax exempt general obligation municipal bonds using the Bond Buyer index.

The actuarial assumptions used in the January 1, 2018 valuation were based on the results of an actuarial experience study, conducted by the Maine State Retirement Consolidated Plan for Participating Local Districts, for the period July 1, 2012 through June 30, 2015.

Notes to Financial Statements

June 30, 2018

NOTE 13 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) – CONTINUED

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2017	\$ 1,972,856
Changes for the year:	
Service cost	52,441
Interest	75,921
Changes in benefit terms	
Differences between expected and actual experience	11,095
Changes in assumptions or other inputs	169,110
Benefit payments	<u>(33,914)</u>
Net changes	<u>274,653</u>
Balance at June, 2018	<u><u>\$ 2,247,509</u></u>

Changes of assumptions reflect an increase of \$169,000 and differences between expected and actual experience reflect an increase of \$11,095.

Changes in assumptions or other inputs reflect a change in the discount rate from 3.78% in 2017 to 3.44% in 2018.

Sensitivity of the total OPEB liability to changes in the discount rate.

The following table shows how the total OPEB liabilities would change if the discount rate used was one percentage point lower or one percentage point higher than the current rate. The current rate used for the Health Plan is 3.44%.

	1% Decrease (2.44%)	Discount Rate (3.44%)	1% Increase (4.44%)
Total OPEB liability	<u>\$ 2,663,502</u>	<u>\$ 2,247,509</u>	<u>\$ 1,918,233</u>

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.

The following table shows how the total OPEB liabilities would change if the healthcare rate used was one percentage point lower or one percentage point higher than the current rate of 8.27%.

	1% Decrease (7.27%)	Healthcare Cost Trend Rates (8.27%)	1% Increase (9.27%)
City's proportionate share of the collective net OPEB liability	<u>\$ 2,015,514</u>	<u>\$ 2,247,509</u>	<u>\$ 2,541,243</u>

Notes to Financial Statements

June 30, 2018

NOTE 13 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) – CONTINUED

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2018, the City recognized OPEB expense of \$150,888. At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 9,708	\$
Changes of assumptions	147,971	
Net difference between projected and actual earnings on OPEB plan investments		
Changes in proportion and differences between City contributions and proportionate share of contributions		
City contributions subsequent to the measurement date		
Total	\$ 157,679	\$

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

Year ended June 30,	
2019	\$ 22,526
2020	22,526
2021	22,526
2022	22,526
2023	22,526
Thereafter	45,049
Total	\$ 157,679

NOTE 14 – RESTATEMENT

Beginning net position was reduced by \$1,084,835 as a result of the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for the year ended June 30, 2018.

Net position at July 1, 2017 was restated, as follows:

	Governmental Activities
Net position	
as previously reported	\$ 41,883,287
GASB No. 75 - Life Insurance	(409,410)
GASB No. 75 - Healthcare	(675,425)
Net position, as restated	\$ 40,798,452

City of Sanford, Maine
Schedule of Proportionate Share of the Net Pension Liability
Maine Public Employees Retirement System
June 30, 2018

Teacher Plan

Year Ended	Valuation Date	City Proportion of the Net Pension Liability	City Proportionate Share of the Net Pension Liability	State's Proportionate Share of the Net Pension Liability	Total Net Pension Liability	Covered Employee Payroll	City Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2018	June 30, 2017	0.10%	\$ 1,464,273	\$ 22,309,645	\$ 23,773,918	\$ 20,082,752	7.29%	80.78%
June 30, 2017	June 30, 2016	0.13%	\$ 2,245,903	\$ 26,241,411	\$ 28,487,314	\$ 19,789,278	11.35%	76.21%
June 30, 2016	June 30, 2015	0.11%	\$ 1,421,755	\$ 20,122,264	\$ 21,544,019	\$ 19,068,408	7.46%	81.18%
June 30, 2015	June 30, 2014	0.11%	\$ 1,227,763	\$ 16,583,886	\$ 17,811,649	\$ 18,348,011	6.69%	84.04%

PLD Plan

Year Ended	Valuation Date	Proportion of the Net Pension Liability	Proportionate Share of the Net Pension Liability	Covered Employee Payroll	Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2018	June 30, 2017	2.44%	\$ 10,002,814	\$ 9,960,653	100%	86.43%
June 30, 2017	June 30, 2016	2.45%	\$ 12,993,512	\$ 9,463,553	137%	81.61%
June 30, 2016	June 30, 2015	2.60%	\$ 8,301,825	\$ 8,745,351	95%	88.27%
June 30, 2015	June 30, 2014	2.77%	\$ 4,258,929	\$ 8,630,045	49%	94.10%

This schedule is presented to illustrate requirements to show information for 10 years. However, until a full 10 year trend is completed, the City presents information for those years of which information is available.

**City of Sanford, Maine
Schedule of Contributions
Maine Public Employees Retirement System
June 30, 2018**

Teachers Plan

Year Ended	Valuation Date	Contractually Required Contribution	Contributions Relative to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
June 30, 2018	June 30, 2017	\$ 923,482	\$ 923,482	\$ -	\$ 20,082,752	4.60%
June 30, 2017	June 30, 2016	\$ 788,075	\$ 788,075	\$ -	\$ 19,789,278	3.98%
June 30, 2016	June 30, 2015	\$ 790,776	\$ 790,776	\$ -	\$ 19,068,408	4.15%
June 30, 2015	June 30, 2014	\$ 649,160	\$ 649,160	\$ -	\$ 18,348,011	3.54%

PLD Plan

Year Ended	Valuation Date	Contractually Required Contribution	Contributions Relative to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
June 30, 2018	June 30, 2017	\$ 1,365,640	\$ 1,365,640	\$ -	\$ 9,960,653	13.71%
June 30, 2017	June 30, 2016	\$ 1,252,434	\$ 1,252,434	\$ -	\$ 9,463,553	13.23%
June 30, 2016	June 30, 2015	\$ 1,136,882	\$ 1,136,882	\$ -	\$ 8,745,351	13.00%
June 30, 2015	June 30, 2014	\$ 1,036,776	\$ 1,036,776	\$ -	\$ 8,630,045	12.01%

This schedule is presented to illustrate requirements to show information for 10 years. However, until a full 10 year trend is completed, the City presents information for those years of which information is available.

City of Sanford, Maine
Schedule of Changes in Net OPEB Liability and Related Ratios -
MMEHT Group Health Insurance Plan
June 30, 2018

Total OPEB liability	
Service cost	\$ 52,441
Interest	75,921
Changes in benefit terms	
Differences between expected and actual experience	11,095
Changes of assumptions or other inputs	169,110
Benefit payments	<u>(33,914)</u>
Net change in total OPEB liability	274,653
Total OPEB liability - beginning	1,972,856
Total OPEB liability - ending	<u>\$ 2,247,509</u>
Covered - employee payroll	7,332,318
Total OPEB liability as a percentage of Covered - employee payroll	30.7%

Notes to schedule:

Changes of assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

June 30, 2018
3.44%

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

City of Sanford, Maine
Schedule of Proportionate Share of Net OPEB Liability - Group Life Insurance
Maine Public Employees Retirement System
June 30, 2018

Group Life Insurance - SET Plan

Year Ended	City's Proportion of the Collective Net OPEB Liability	City's Proportionate Share of the Collective Net OPEB Liability	State's Proportionate Share of the Collective Net OPEB Liability	Total Collective Net OPEB Liability	City's Covered Payroll	City's Proportionate Share of the Collective Net OPEB Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
June 30, 2018	0%	\$ -	\$ 634,127	\$ 634,127	\$ 8,362,116	0.00%	47.29%

Group Life Insurance - PLD Plan

Year Ended	City's Proportion of the Collective Net OPEB Liability	City's Proportionate Share of the Collective Net OPEB Liability	State's Proportionate Share of the Collective Net OPEB Liability	Total Collective Net OPEB Liability	City's Covered Payroll	City's Proportionate Share of the Collective Net OPEB Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
June 30, 2018	2.06%	\$ 344,647	\$ -	\$ 344,647	\$ 5,367,385	6.42%	47.42%

This schedule is presented to illustrate requirements to show information for 10 years. However, until a full 10 year trend is completed, the City presents information for those years of which information is available.

City of Sanford, Maine
Schedule of OPEB Contributions - Group Life Insurance
Maine Public Employees Retirement System
June 30, 2018

Group Life Insurance - SET Plan

Year Ended	Contractually Required Contribution	Relative to Contractually Required Contribution	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as as a Percentage of Covered Payroll
June 30, 2018	\$ -	\$ -	\$ -	\$ 8,362,116	0.00%

Group Life Insurance - PLD Plan

Year Ended	Contractually Required Contribution	Contributions Relative to Contractually Required Contribution	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as as a Percentage of Covered Payroll
June 30, 2018	\$ 21,376	\$ 21,376	\$ -	\$ 5,367,385	0.40%

This schedule is presented to illustrate requirements to show information for 10 years. However, until a full 10 year
tend is completed, the City presents information for those years of which information is available.

Combining Fund Information

**City of Sanford, Maine
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2018**

	Special Revenue Funds	Capital Project Funds	Permanent Funds	Total Other Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 5,984,139	\$ 2,304,684	\$ 521,676	\$ 8,810,499
Investments			829,365	829,365
Accounts and intergovernmental receivable	824,597		442	825,039
Interfund loans	795,353			795,353
Inventory	31,509			31,509
Land (held for investment)			109,500	109,500
Total assets	7,635,598	2,304,684	1,460,983	11,401,265
LIABILITIES AND FUND BALANCES				
Liabilities:				
Deficit cash	1,186,132			1,186,132
Accounts payable		59,689		59,689
Accrued payroll	303,540			303,540
Interfund loans	3,560,714	2,079,268	396,265	6,036,247
Total liabilities	5,050,386	2,138,957	396,265	7,585,608
Fund balances (deficit):				
Nonspendable	31,509		115,500	147,009
Restricted	2,867,769		949,218	3,816,987
Committed		489,076		489,076
Unassigned	(314,066)	(323,349)		(637,415)
Total fund balances	2,585,212	165,727	1,064,718	3,815,657
Total liabilities and fund balances	\$ 7,635,598	\$ 2,304,684	\$ 1,460,983	\$ 11,401,265

City of Sanford, Maine
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the year ended June 30, 2018

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total Other Governmental Funds
Revenues:				
Taxes	\$ 694,006			\$ 694,006
Intergovernmental	4,639,415	\$ 350,568		4,989,983
Donations			\$ 39,825	39,825
Interest earned	13,280		24,680	37,960
Other revenue	799,487	204,139		1,003,626
Total revenues	6,146,188	554,707	64,505	6,765,400
Expenditures:				
Current:				
General government	1,296,326			1,296,326
Public services	66,340		25,300	91,640
Public safety	3,995			3,995
Public works	22,867			22,867
Education	4,965,084			4,965,084
Capital expenditures		3,078,982		3,078,982
Total expenditures	6,354,612	3,078,982	25,300	9,458,894
Excess of revenues over expenditures	(208,424)	(2,524,275)	39,205	(2,693,494)
Other financing sources (uses):				
Transfers in	250,000			250,000
Transfers out	(156,968)			(156,968)
Proceeds from bonds		2,400,000		2,400,000
Total other financing sources (uses)	93,032	2,400,000	-	2,493,032
Net change in fund balances	(115,392)	(124,275)	39,205	(200,462)
Fund balances, beginning of year	2,700,604	290,002	1,025,513	4,016,119
Fund balances, end of year	\$ 2,585,212	\$ 165,727	\$ 1,064,718	\$ 3,815,657

City of Sanford, Maine
Nonmajor Special Revenue Funds
Combining Balance Sheet
General Government - Federal and State
June 30, 2018

	2042 KKW	2126 Workforce Development Grant	2130 Tourism Development	2132 2014 MEA Grant	2134 FEMA 4208 DR	2135 Trails Development Urban Forestry	2138 SCASDP Grant Airport	2142 PEG Access Grant	2143 Substance Abuse Assistance Program	Totals
ASSETS										
Cash and cash equivalents	\$ 69,257	\$ 18,400	\$ 25,887	\$ 101,000	\$ 34,904	\$ 23,703	\$ 32,505	\$ 29,130	\$ 176,381	\$ 511,167
Accounts receivable										
Total assets	69,257	18,400	25,887	101,000	34,904	23,703	32,505	29,130	176,381	511,167
LIABILITIES AND FUND BALANCES										
Liabilities:										
Deficit cash										
Interfund loans payable	47,967	18,400	25,887	101,000	34,904	9,721	32,505		175,938	446,322
Total liabilities	47,967	18,400	25,887	101,000	34,904	9,721	32,505		175,938	446,322
Fund balances:										
Restricted	21,290					13,982		29,130	443	64,845
Unassigned										
Total fund balances (deficit)	21,290					13,982		29,130	443	64,845
Total liabilities and fund balances	\$ 69,257	\$ 18,400	\$ 25,887	\$ 101,000	\$ 34,904	\$ 23,703	\$ 32,505	\$ 29,130	\$ 176,381	\$ 511,167

City of Sanford, Maine
Nonmajor Special Revenue Funds
Combining Balance Sheet
General Government - Other Programs
June 30, 2018

	2002 Rainbow Rug TIF	2003 US Felt TIF	2007 Rt 109 Downtown TIF	2008 Central Tire TIF	2009 Village Green TIF	2010 Sanford Institut for Savings TIF	2011 RUBB TIF	2012 Kennedy Center TIF	2013 SPH, LLC TIF	2014 Mill Development TIF	2015 New England Truck Tire TIF	2016 St. Ignatius Affordable Housing TIF	2020 Impact Fees
ASSETS													
Cash and cash equivalents	\$ 324,567	\$ 134	\$ 836,066	\$ 74,425	\$ 43,047	\$ 118,945	\$ 98,586	\$ 40,384	\$ 113,405	\$ 251,244	\$ 29,720	\$ 35,732	\$ 244,383
Total Assets	324,567	134	836,066	74,425	43,047	118,945	98,586	40,384	113,405	251,244	29,720	35,732	244,383
LIABILITIES AND FUND BALANCES													
Liabilities:													
Deficit Cash													
Interfund loans payable	296,276		228,000	45,543	32,099	86,879	62,194	40,384	99,914	236,163	12,851	35,732	140,942
Total Liabilities	296,276		228,000	45,543	32,099	86,879	62,194	40,384	99,914	236,163	12,851	35,732	140,942
Fund balances:													
Restricted	28,291	134	608,066	28,882	10,948	32,066	36,392		13,491	15,081	16,869		103,441
Unassigned													
Total fund balances (deficit)	28,291	134	608,066	28,882	10,948	32,066	36,392		13,491	15,081	16,869		103,441
Total liabilities and fund balances	\$ 324,567	\$ 134	\$ 836,066	\$ 74,425	\$ 43,047	\$ 118,945	\$ 98,586	\$ 40,384	\$ 113,405	\$ 251,244	\$ 29,720	\$ 35,732	\$ 244,383

City of Sanford, Maine
Nonmajor Special Revenue Funds
Combining Balance Sheet
General Government - Other Programs
June 30, 2018

	2116	2121	2123	2124	2131	2133	2281	2137	2139	2144	2146	2147	2149	2150	Totals
	Tax Acquired Property Remediation	Emerson School	Seasonal Decorations	Roosevelt School	Goodall Park 100 Year Anniversary	City Unemployment Compensation	School Unemployment Compensation	Legal Reserve	Dam Coalition	Fitness Zone	Chamber of Commerce	Land Bank	City Hall Sign	250th Anniversary	
ASSETS															
Cash and cash equivalents	\$ 243,781	\$ 7,194	\$ 23,071	\$ 1,592	\$ 2,308	\$ 146,727	\$ 141,072	\$ 32,376	\$ 50,720	\$ 965	\$ 15,000	\$ 316,757	\$ 19,440	\$ 12,274	\$ 3,223,915
Total Assets	243,781	7,194	23,071	1,592	2,308	146,727	141,072	32,376	50,720	965	15,000	316,757	19,440	12,274	3,223,915
LIABILITIES AND FUND BALANCES															
Liabilities:															
Deficit Cash															
Interfund loans payable	30,993	7,194	15,571	1,592	2,308			3,896	12,202		11,324	167,749	19,440	30,624	1,619,870
Total Liabilities	30,993	7,194	15,571	1,592	2,308			3,896	12,202		11,324	167,749	19,440	30,624	1,619,870
Fund balances:															
Restricted	212,788		7,500			146,727	141,072	28,480	38,518	965	3,676	149,008		(18,350)	1,604,045
Unassigned															
Total fund balances (deficit)	212,788		7,500			146,727	141,072	28,480	38,518	965	3,676	149,008		(18,350)	1,604,045
Total liabilities and fund balances	\$ 243,781	\$ 7,194	\$ 23,071	\$ 1,592	\$ 2,308	\$ 146,727	\$ 141,072	\$ 32,376	\$ 50,720	\$ 965	\$ 15,000	\$ 316,757	\$ 19,440	\$ 12,274	\$ 3,223,915

**City of Sanford, Maine
Nonmajor Special Revenue Funds
Combining Balance Sheet
Public Service
June 30, 2018**

	2115 Gateway Park	2127 International Film Festival	2119 Village of Springvale Improve Committee	2080 Teen Center	2084 Airport Open House	2090 Imelda's Fund	2114 Ollie Fund Skate Park	Totals
ASSETS								
Cash and cash equivalents	\$ 466,923	\$ 15,969	\$ 16,945	\$ 7,164	\$ 50,054	\$ 23,848	\$ 5,000	\$ 585,903
Total Assets	466,923	15,969	16,945	7,164	50,054	23,848	5,000	585,903
LIABILITIES AND FUND BALANCES								
Liabilities:								
Deficit cash								
Interfund loans payable	459,434	15,969	8,982	2,731	42,694	12,896		542,706
Total Liabilities	459,434	15,969	8,982	2,731	42,694	12,896		542,706
Fund balances:								
Restricted	7,489		7,963	4,433	7,360	10,952	5,000	43,197
Unassigned								
Total fund balances (deficit)	7,489		7,963	4,433	7,360	10,952	5,000	43,197
Total liabilities and fund balances	\$ 466,923	\$ 15,969	\$ 16,945	\$ 7,164	\$ 50,054	\$ 23,848	\$ 5,000	\$ 585,903

City of Sanford, Maine
Nonmajor Governmental Funds
Combining Balance Sheet
Education
June 30, 2018

	2201 Wellness Team	2202 E-Rate	2203 Industrial Tech Sending School	2204 Crayola	2205 Lucy Emery Funds	2206 Eco Maine	2207 Momentum	2208 Remax Hometown Agency	2209 SRTC Genest Auto	2210 Kids Club	2211 Lafayette Local Funds	2212 Financial Literacy	2214 SRTC Donation	2215 Let's Go Grant	2216 CAPCO Grant
ASSETS															
Cash and cash equivalents	\$ 109		\$ 318,517		\$ 6,080			\$ 1,125		\$ 3,545		\$ 37	\$ 1,188	\$ 1,547	
Accounts receivable							\$ 1,675								
Interfund loans receivable		\$ 195,473	102,971	\$ 20,930					\$ 18,472	6,833	\$ 775				\$ 1,804
Inventory															
Total Assets	109	195,473	421,488	20,930	6,080		1,675	1,125	18,472	10,378	775	37	1,188	1,547	1,804
LIABILITIES AND FUND BALANCES															
Liabilities:															
Deficit Cash		79,967		20,929	\$ 40		1,675		13,472		775				1,804
Accounts payable															
Accrued Payroll							5,350								
Interfund loans payable															
Total Liabilities		79,967		20,929	40		7,025		13,472		775				1,804
Fund balances:															
Restricted	109	115,506	421,488	1	6,080			1,125	5,000	10,378		37	1,188	1,547	
Unassigned						(40)	(5,350)								
Total fund balances (deficit)	109	115,506	421,488	1	6,080	(40)	(5,350)	1,125	5,000	10,378		37	1,188	1,547	
Total liabilities and fund balances	\$ 109	\$ 195,473	\$ 421,488	\$ 20,930	\$ 6,080	\$ -	\$ 1,675	\$ 1,125	\$ 18,472	\$ 10,378	\$ 775	\$ 37	\$ 1,188	\$ 1,547	\$ 1,804

City of Sanford, Maine
Nonmajor Governmental Funds
Combining Balance Sheet
Education
June 30, 2018

	2217 ING Unsung Heroes	2218 Junior High Local Funds	2219 Genest/ SRTC Construction	2222 Target Media Grant	2223 Buidling Assets Reducing Risk	2224 Smart Grant	2228 Partners in Arts & Learning	2233 Lighthouse Grants	2238 College Transition	2239 Title IA	2249 MaineCare	2252 IDEA Grant - Local Entitlement	2253 ECT Grant (Preschool)	2258 21st Century
ASSETS														
Cash and cash equivalents		\$ 771	\$ 78,212		\$ 46,713	\$ 213	\$ 530		\$ 7,800		\$ 48,606			
Accounts receivable									5,023	\$ 106,798	2,242	\$ 524,350	\$ 6,816	
Interfund loans receivable	\$ 1,451	2,119		\$ 499				\$ 132		67,018	49,692		15,306	\$ 907
Inventory														
Total Assets	1,451	2,890	78,212	499	46,713	213	530	132	12,823	173,816	100,540	524,350	22,122	907
LIABILITIES AND FUND BALANCES														
Liabilities:														
Deficit Cash	162			204				132		181,929		452,843	24,562	706
Accounts payable														
Accrued Payroll										127,078	25,142	105,161	12,555	200
Interfund loans payable					46,713				2,515			82,713		
Total Liabilities	162			204	46,713			132	2,515	309,007	25,142	640,717	37,117	906
Fund balances:														
Restricted	1,289	2,890	78,212	295		213	530		10,308		75,398			1
Unassigned										(135,191)		(116,367)	(14,995)	
Total fund balances (deficit)	1,289	2,890	78,212	295	-	213	530		10,308	(135,191)	75,398	(116,367)	(14,995)	1
Total liabilities and fund balances	\$ 1,451	\$ 2,890	\$ 78,212	\$ 499	\$ 46,713	\$ 213	\$ 530	\$ 132	\$ 12,823	\$ 173,816	\$ 100,540	\$ 524,350	\$ 22,122	\$ 907

**City of Sanford, Maine
Nonmajor Governmental Funds
Combining Balance Sheet
Education
June 30, 2018**

	2261 Title III - English Language Acquisition	2262 Title IIA - Teacher Quality	2266 Nellie Mae Grant	2268 Title IC - Perkins	2269 Adult Basic Education	2270 ARRA Jobs	2271 Health Insurance Premiums	2272 Corning Grant	2273 SHS iPad Program
ASSETS									
Cash and cash equivalents	\$ 716		\$ 11,330			\$ 912	\$ 117	\$ 2,294	\$ 55,638
Accounts receivable		\$ 27,225		\$ 49,794	\$ 5,858				
Interfund loans receivable		273,897	11,236		25,838				
Inventory									
Total Assets	716	301,122	22,566	49,794	31,696	912	117	2,294	55,638
LIABILITIES AND FUND BALANCES									
Liabilities:									
Deficit Cash		338,993		36,510	31,429				
Accounts payable									
Accrued payroll		4,186	21,130	87					
Interfund loans payable	717					912			
Total Liabilities	717	343,179	21,130	36,597	31,429	912			
Fund balances:									
Restricted			1,436	13,197	267		117	2,294	55,638
Unassigned	(1)	(42,057)							
Total fund balances (deficit)	(1)	(42,057)	1,436	13,197	267		117	2,294	55,638
Total liabilities and fund balances	\$ 716	\$ 301,122	\$ 22,566	\$ 49,794	\$ 31,696	\$ 912	\$ 117	\$ 2,294	\$ 55,638

**City of Sanford, Maine
Nonmajor Governmental Funds
Combining Balance Sheet
Education
June 30, 2018**

	2275 Trans Grant Proficiency	2277 (SRTC) Genest AVX	2279 SHS Local Funds	2280 FAA Dept. of Arg.	2289 Crayola Education Grant	5000 School Cafeteria	Totals
ASSETS							
Cash and cash equivalents	\$ 4,283	\$ 1,288	\$ 651	\$ 623	\$ 1,402	\$ 187,507	\$ 781,754
Accounts receivable						94,816	824,597
Interfund loans receivable							795,353
Inventory						31,509	31,509
Total Assets	4,283	1,288	651	623	1,402	313,832	2,433,213
LIABILITIES AND FUND BALANCES							
Liabilities:							
Deficit Cash							1,186,132
Accounts payable							-
Accrued Payroll						2,651	303,540
Interfund loans payable						8,141	141,711
Total Liabilities						10,792	1,631,383
Fund balances:							
Restricted	4,283	1,288	651	623	1,402	303,040	1,115,831
Unassigned							(314,001)
Total fund balances (deficit)	4,283	1,288	651	623	1,402	303,040	801,830
Total liabilities and fund balances	\$ 4,283	\$ 1,288	\$ 651	\$ 623	\$ 1,402	\$ 313,832	\$ 2,433,213

**City of Sanford, Maine
Nonmajor Special Revenue Funds
Combining Balance Sheet
Public Safety
June 30, 2018**

	2053 Seized Assets	2064 Homeland Security	2075 Home Fire Sprinkler Coalition	2078, 2140 2012, 2016 JAG Programs	2105 Firearms Range	2106 SPD Training	2111 Smoke Detector Program	2122 Edward Byrne Memorial Justice	2128, 2136 2014, 2015 JAG Programs	Totals
ASSETS										
Cash and cash equivalents	\$ 112,992	\$ 5,467	\$ 1,500	\$ 23,979	\$ 10,494	\$ 3,835	\$ 3,907	\$ 19,238	\$ 31,990	\$ 213,402
Total Assets	112,992	5,467	1,500	23,979	10,494	3,835	3,907	19,238	31,990	213,402
LIABILITIES AND FUND BALANCES										
Liabilities:										
Deficit Cash										
Interfund loans payable	47,428	5,467		25,330	824	681	2,639	19,238	25,223	126,830
Total Liabilities	47,428	5,467		25,330	824	681	2,639	19,238	25,223	126,830
Fund balances:										
Nonspendable										
Restricted	65,564		1,500		9,670	3,154	1,268		5,481	86,637
Unassigned				\$ (1,351)					1,286	(65)
Total fund balances (deficit)	65,564		1,500	(1,351)	9,670	3,154	1,268		6,767	86,572
Total liabilities and fund balances	\$ 112,992	\$ 5,467	\$ 1,500	\$ 23,979	\$ 10,494	\$ 3,835	\$ 3,907	\$ 19,238	\$ 31,990	\$ 213,402

**City of Sanford, Maine
Nonmajor Special Revenue Funds
Combining Balance Sheet
Public Works
June 30, 2018**

	2098 FEMA 1920 Disaster Recovery	2100 Brownfields Area Planning	2108 Brownfields Assessment	2109 Brownfields Mill Clean up	2117 FEMA 4108 Disaster Recovery	2141 Sanford Airport Solar	Totals
ASSETS							
Cash and cash equivalents	\$ 92,999	\$ 2,036	\$ 284,413	\$ 237,819	\$ 43,158	\$ 7,573	\$ 667,998
Total Assets	92,999	2,036	284,413	237,819	43,158	7,573	667,998
LIABILITIES AND FUND BALANCES							
Liabilities:							
Deficit Cash							
Interfund loans payable	92,999	2,036	284,413	237,819	43,158	22,850	683,275
Total Liabilities	92,999	2,036	284,413	237,819	43,158	22,850	683,275
Fund balances:							
Nonspendable							
Restricted							
Unassigned						(15,277)	-
Total fund balances (deficit)						(15,277)	(15,277)
Total liabilities and fund balances	\$ 92,999	\$ 2,036	\$ 284,413	\$ 237,819	\$ 43,158	\$ 7,573	\$ 667,998

City of Sanford, Maine
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
General Government - Federal and State
For the Year Ended June 30, 2018

	2042 KKW	2130 Tourism Development Grant	2134 FEMA 4208 DR	2135 Trails Development Urban Forestry	2138 SCASDP Grant Airport	2142 PEG Access Grant	2143 Substance Abuse Assistance Program	Totals
General Government								
Revenues:								
Intergovernmental								
Other	\$ 12,763			\$ 2,625			\$ 174,245	\$ 189,633
Total revenues	12,763			2,625			174,245	189,633
Expenditures:								
Expenses				2,226			173,802	176,028
Total expenditures	-			2,226			173,802	176,028
Excess (deficiency) of revenues over (under) expenditures	12,763			399			443	13,605
Other financing sources (uses):								
Transfers in								-
Transfers out	(30,003)		\$ (88,876)					(118,879)
Total other financing sources (uses)	(30,003)		(88,876)					(118,879)
Net change in fund balances	(17,240)		(88,876)	399			443	(105,274)
Fund balances (deficit), beginning of year	38,530		88,876	13,583		\$ 29,130		170,119
Fund balances (deficit), end of year	\$ 21,290	\$ -	\$ -	\$ 13,982	\$ -	\$ 29,130	\$ 443	\$ 64,845

City of Sanford, Maine
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
General Government - Other Programs
For the Year Ended June 30, 2018

	2002 Rainbow Rug TIF	2003 US Felt TIF	2007 Rt 109 Downtown TIF	2008 Central Tire TIF	2009 Village Green TIF	2010 Sanford Institute for Savings TIF	2011 RUBB TIF	2012 Kennedy Center TIF	2013 SPH, LLC TIF	2014 Mill Development TIF	2015 New England Truck Tire TIF	2016 St. Ignatius Affordable Housing TIF
Revenues:												
Taxes	\$ 82,960		\$ 385,099	\$ 24,589	\$ 11,189	\$ 42,230	\$ 23,710	\$ 8,558	\$ 44,217	\$ 64,292	\$ 7,162	
Interest earned	394	\$ 2	8,403	451	165	403	534		913	232	260	
Other												\$ 35,732
Total revenues	83,354	2	393,502	25,040	11,354	42,633	24,244	8,558	45,130	64,524	7,422	35,732
Expenditures:												
Expenses	70,516		430,682	11,817	8,392	21,115	11,855	8,558	94,565	61,078	3,581	35,732
Total expenditures	70,516		430,682	11,817	8,392	21,115	11,855	8,558	94,565	61,078	3,581	35,732
Excess (deficiency) of revenues over (under) expenditures	12,838	2	(37,180)	13,223	2,962	21,518	12,389		(49,435)	3,446	3,841	
Other financing sources (uses):												
Transfers in												
Transfers out												
Total other financing sources (uses)												
Net change in fund balances	12,838	2	(37,180)	13,223	2,962	21,518	12,389		(49,435)	3,446	3,841	
Fund balances (deficit), beginning of year	15,453	132	645,246	15,659	7,986	10,548	24,003		62,926	11,635	13,028	
Fund balances (deficit), end of year	\$ 28,291	\$ 134	\$ 608,066	\$ 28,882	\$ 10,948	\$ 32,066	\$ 36,392	\$ -	\$ 13,491	\$ 15,081	\$ 16,869	\$ -

City of Sanford, Maine
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
General Government - Other Programs
For the Year Ended June 30, 2018

	2020	2116	2118	2123	City	School	2137	2139	2144	2146	2147	2149	2150	Totals
	Impact	Tax Acquired	Central Maine	Seasonal	Unemployment	Unemployment	Legal	Dam	Fitness	Chamber of	Land	City Hall	250th	
	Fees	Remediation	Power	Decorations	Compensation	Compensation	Reserve	Coalition	Zone	Commerce	Bank	Sign	Anniversary	
Revenues:														
Taxes														\$ 694,006
Interest earned						\$ 1,523								13,280
Other		\$ 145,675			\$ 43,342	37,305		\$ 20,950	\$ 500			\$ 19,440	\$ 12,224	315,168
Total revenues		145,675			43,342	38,828		20,950	500			19,440	12,224	1,022,454
Expenditures:														
Expenses	\$ 144,359	3,085			24,624	30,768	\$ (52)	8,617		\$ 100,992	19,440	30,574		1,120,298
Total expenditures	144,359	3,085			24,624	30,768	(52)	8,617		100,992	19,440	30,574		1,120,298
Excess (deficiency) of revenues over (under) expenditures	(144,359)	142,590			18,718	8,060	52	12,333	500	(100,992)			(18,350)	(97,844)
Other financing sources (uses):														
Transfers in											250,000			250,000
Transfers out			\$ (35,000)											(35,000)
Total other financing sources (uses)			(35,000)								250,000			215,000
Net change in fund balances	(144,359)	142,590	(35,000)		18,718	8,060	52	12,333	500		149,008		(18,350)	117,156
Fund balances (deficit), beginning of year	247,800	70,198	35,000	7,500	128,009	133,012	28,428	26,185	465	3,676				1,486,889
Fund balances (deficit), end of year	\$ 103,441	\$ 212,788	\$ -	\$ 7,500	\$ 146,727	\$ 141,072	\$ 28,480	\$ 38,518	\$ 965	\$ 3,676	\$ 149,008	\$ -	\$ (18,350)	\$ 1,604,045

City of Sanford, Maine
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Public Service
For the Year Ended June 30, 2018

	2115 Gateway Park	2119 Village of Springvale Improve Committee	2080 Teen Center	2084 Airport Open House	2090 Imelda's Fund	2114 Ollie Fund Skate Park	Totals
Revenues:							
Intergovernmental							
Interest earned							
Other	\$ 29,299			\$ 33,900	\$ 5,187		\$ 68,386
Total revenues	29,299			33,900	5,187		68,386
Expenditures:							
Expenses	23,157		\$ 704	37,261	5,218		66,340
Total expenditures	23,157		704	37,261	5,218		66,340
Excess (deficiency) of revenues over (under) expenditures	6,142		(704)	(3,361)	(31)		2,046
Other financing sources (uses):							
Transfers in							-
Transfers out							-
Total other financing sources (uses)							-
Net change in fund balances	6,142		(704)	(3,361)	(31)		2,046
Fund balances (deficit), beginning of year	1,347	7,963	5,137	10,721	10,983	5,000	41,151
Fund balances (deficit), end of year	\$ 7,489	\$ 7,963	\$ 4,433	\$ 7,360	\$ 10,952	\$ 5,000	\$ 43,197

City of Sanford, Maine
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Education
For the Year Ended June 30, 2018

	2201	2202	2203	2204	2205	2206	2207	2208	2209	2210	2212	2214	2215	2217	2218	2219
	Wellness Team	E-Rate	Industrial Tech Sending School	Crayola	Lucy Emery Funds	Eco Maine	Momentum	Remax Hometown Agency	SRTC Genest Auto	Kids Club	Financial Literacy	SRTC Donation	Let's Go Grant	ING Unsung Heroes	Junior High School	Genest/ SRTC Construction
Revenues:																
Intergovernmental		\$ 93,448	\$ 130,671													
Other	\$ 500				\$ 1,250		\$ 21,246		\$ 5,000							\$ 163,987
Total revenues	500	93,448	130,671		1,250		21,246		5,000							163,987
Expenditures:																
Expenses	400	282,820	78,004			\$ 548	26,596			\$ 27	\$ 269			\$ 590		88,548
Total expenditures	400	282,820	78,004			548	26,596			27	269			590		88,548
Excess (deficiency) of revenues over (under) expenditures	100	(189,372)	52,667		1,250	(548)	(5,350)		5,000	(27)	(269)			(590)		75,439
Other financing sources (uses):																
Transfers in																
Transfers out																
Total other financing sources (uses)																
Net change in fund balances	100	(189,372)	52,667		1,250	(548)	(5,350)		5,000	(27)	(269)			(590)		75,439
Fund balances, beginning of year	9	304,878	368,821	\$ 1	4,830	508		\$ 1,125		10,405	306	\$ 1,188	\$ 1,547	1,879	\$ 2,890	2,773
Fund balances (deficit), end of year	\$ 109	\$ 115,506	\$ 421,488	\$ 1	\$ 6,080	\$ (40)	\$ (5,350)	\$ 1,125	\$ 5,000	\$ 10,378	\$ 37	\$ 1,188	\$ 1,547	\$ 1,289	\$ 2,890	\$ 78,212

City of Sanford, Maine
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Education
For the Year Ended June 30, 2018

	2222 Target Media	2224 Smart Grant	2228 Partners in Arts & Learning	2238 College Transition	2239 Title IA	2249 MaineCare	2252 IDEA Grant - Local Entitlement	2253 ECT Grant (Preschool)	2258 21st Century	2261 Title III - English Language Acquisition
Revenues:										
Intergovernmental		\$ 50,000		\$ 32,905	\$ 1,003,954	\$ 170,881	\$ 1,004,548	\$ 26,800		
Other			\$ 1,809							
Total revenues		50,000	1,809	32,905	1,003,954	170,881	1,004,548	26,800		
Expenditures:										
Expenses		49,792	1,579	32,906	1,017,147	172,250	1,013,967	35,980		
Total expenditures		49,792	1,579	32,906	1,017,147	172,250	1,013,967	35,980		
Excess (deficiency) of revenues over (under) expenditures		208	230	(1)	(13,193)	(1,369)	(9,419)	(9,180)		
Other financing sources (uses):										
Transfers in										
Transfers out										
Total other financing sources (uses)										
Net change in fund balances		208	230	(1)	(13,193)	(1,369)	(9,419)	(9,180)		
Fund balances (deficit), beginning of year	\$ 295	5	300	10,309	(121,998)	76,767	(106,948)	(5,815)	\$ 1	\$ (1)
Fund balances (deficit), end of year	\$ 295	\$ 213	\$ 530	\$ 10,308	\$ (135,191)	\$ 75,398	\$ (116,367)	\$ (14,995)	\$ 1	\$ (1)

City of Sanford, Maine
Nonmajor Special Revenue Funds
Nonmajor Special Revenues, Expenditures and Changes in Fund Balances
Education
For the Year Ended June 30, 2018

	2262 Title IIA - Teacher Quality	2266 Nellie Mae Grant	2268 Title IC - Perkins	2269 Adult Basic Education	2271 Health Insurance Premium	2272 Corning Grant	2273 SHS iPad Program
Revenues:							
Intergovernmental	\$ 232,442		\$ 184,835	\$ 49,566			
Other							\$ 18,703
Total revenues	232,442		184,835	49,566			18,703
Expenditures:							
Expenses	244,234		171,191	66,349		\$ 597	7,328
Total expenditures	244,234		171,191	66,349		597	7,328
Excess (deficiency) of revenues over (under) expenditures	(11,792)		13,644	(16,783)		(597)	11,375
Other financing sources (uses):							
Transfers in							
Transfers out							
Total other financing sources (uses)							
Net change in fund balances	(11,792)		13,644	(16,783)		(597)	11,375
Fund balances (deficit), beginning of year	(30,265)	\$ 1,436	(447)	17,050	\$ 117	2,891	44,263
Fund balances (deficit), end of year	\$ (42,057)	\$ 1,436	\$ 13,197	\$ 267	\$ 117	\$ 2,294	\$ 55,638

City of Sanford, Maine
Nonmajor Special Revenue Funds
Nonmajor Special Revenues, Expenditures and Changes in Fund Balances
Education
For the Year Ended June 30, 2018

	2275	2277	2279	2280	2284	2285	2286	2287	2288	2289	2290	5000	Totals
	Trans	(SRTC)	SHS	FAA	School	School	Student	School National	International	Crayola	MLTI	School	
	Grant	Genest	Local	Dept.	PEPG	John T. Gorman	Assistance	Board	Film	Education	Block	School	
	Proficiency	AVX	Funds	of	Grant	Foundation	Team	Certification	Festival	Grant	Grant	Cafeteria	
Revenues:													
Intergovernmental											\$ 24,000	\$ 1,621,089	\$4,625,139
Other								\$ 950	\$ 3,000	\$ 2,500			218,945
Total revenues								950	3,000	2,500	24,000	1,621,089	4,844,084
Expenditures:													
Expenses	\$ 7,564	\$ 5,064	\$ 74		\$ 4,375		\$ 600	\$ 950	3,000	1,098	24,000	1,627,237	4,965,084
Total expenditures	7,564	5,064	74		4,375		600	950	3,000	1,098	24,000	1,627,237	4,965,084
Excess (deficiency) of revenues over (under) expenditures	(7,564)	(5,064)	(74)		(4,375)		(600)			1,402		(6,148)	(121,000)
Other financing sources (uses):													
Transfers in													
Transfers out													
Total other financing sources (uses)													
Net change in fund balances	(7,564)	(5,064)	(74)		(4,375)		(600)			1,402		(6,148)	(121,000)
Fund balances (deficit), beginning of year	11,847	6,352	725	\$ 623	4,375		600					309,188	922,830
Fund balances (deficit), end of year	\$ 4,283	\$ 1,288	\$ 651	\$ 623	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,402	\$ -	\$ 303,040	\$ 801,830

City of Sanford, Maine
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Public Safety
For the Year Ended June 30, 2018

	2053 Seized Assets	2075 Home Fire Sprinkler Coalition	2105 Firearms Range	2106 SPD Training	2111 Smoke Detector Program	2128 2014 JAG Program	2136 2015 JAG Program	2140 2016 JAG Grant	Totals
Revenues:									
Intergovernmental	\$ 656					\$ 11,243		\$ 11,899	
Other			\$ 2,075	\$ 900	\$ 736		\$ 3,089	6,800	
Total revenues	656		2,075	900	736	11,243	3,089	18,699	
Expenditures:									
Expenses	1,105			247		1,292	1,351	3,995	
Total expenditures	1,105			247		1,292	1,351	3,995	
Excess (deficiency) of revenues over (under) expenditures	(449)		2,075	653	736	9,951	1,738	14,704	
Other financing sources (uses):									
Transfers in									
Bond Proceeds									
Transfers out							(3,089)	(3,089)	
Total other financing sources (uses)							(3,089)	(3,089)	
Net change in fund balances	(449)		2,075	653	736	9,951	(1,351)	11,615	
Fund balances (deficit), beginning of year	66,013	\$ 1,500	7,595	2,501	532	\$ 5,481	(8,665)	74,957	
Fund balances (deficit), end of year	\$ 65,564	\$ 1,500	\$ 9,670	\$ 3,154	\$ 1,268	\$ 5,481	\$ 1,286	\$ (1,351)	\$ 86,572

City of Sanford, Maine
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Public Works
For the Year Ended June 30, 2018

	2109 Brownfields Mill Clean up	2141 Sanford Airport Solar	Totals
Revenues:			
Intergoverr	\$ 2,377		\$ 2,377
Other		\$ 555	555
Total revenues	2,377	555	2,932
Expenditures:			
Expenses	2,682	20,185	22,867
Total expenditures	2,682	20,185	22,867
Excess (deficiency) of revenues over (under) expenditures	(305)	(19,630)	(19,935)
Other financing sources (uses):			
Transfers in			
Bond Proceeds			
Transfers out			
Total other financing sources (uses)			
Net change in fund balances	(305)	(19,630)	(19,935)
Fund balances (deficit), beginning of year	305	4,353	4,658
Fund balances (deficit), end of year	\$ -	\$ (15,277)	\$ (15,277)

City of Sanford, Maine
Nonmajor Capital Project Fund
Balance Sheet
June 30, 2018

	4000 Number One Pond	4003 Job Bond Local Road Assistance	4005 Urban Forestry	4008 Goodall Statue	4011 Department of Conservation	4036, 4042 Revolving Loan Funds - SHS and JH	4039 CGA Clean Up	4040 Mid Town Mall	4045 Goodall Brook Watershed	4048 Wildlife Hazard Assessment
ASSETS										
Cash and cash equivalents	\$ 200	\$ 752	\$ 5,590	\$ 1,550	\$ 1,121	\$ (140)	\$ 13,576	\$ 83,235	\$ 73,890	\$ 32,026
Accounts receivable										
Total assets	200	752	5,590	1,550	1,121	(140)	13,576	83,235	73,890	32,026
LIABILITIES AND FUND BALANCE										
Liabilities:										
Deficit Cash										
Accounts payable										
Interfund loans payable				298	1,121		9,911	83,235	76,412	32,026
Total liabilities				298	1,121		9,911	83,235	76,412	32,026
Fund balance (deficit):										
Restricted										
Committed	200	752	5,590	1,252			3,665			
Unassigned						(140)		(2,522)		
Total fund balance (deficit)	200	752	5,590	1,252		(140)	3,665	(2,522)		
Total liabilities and fund balance	\$ 200	\$ 752	\$ 5,590	\$ 1,550	\$ 1,121	\$ (140)	\$ 13,576	\$ 83,235	\$ 73,890	\$ 32,026

City of Sanford, Maine
Nonmajor Capital Project Fund
Balance Sheet
June 30, 2018

	4051	4052	4053	4054	4055	4056	4057	4058	4059	4061	4062	
	Rehabilitate	Airport	Railbed	Consolidated	AIP 2015	Mousam	SRE	EDA	2015	Dam	William	
	Seacoast Taxi	Improvement	Phase IV	Elementary	Airport	River Bike	Building	Broadband	Assistance to	Repair	Oscar	
	Lanes 2014	Program	Trail			Trails	Airport	Infrastructure	Firefighters		Emery	Totals
ASSETS												
Cash and cash equivalents	\$ 229,209	\$ 158,088	\$ 48,777	\$ 25,378	\$ 328,906	\$ 55,980	\$ 48,331	\$ 854,396	\$ 301,819		\$ 42,000	\$ 2,304,684
Accounts receivable												
Total assets	229,209	158,088	48,777	25,378	328,906	55,980	48,331	854,396	301,819		42,000	2,304,684
LIABILITIES AND FUND BALANCE												
Liabilities:												
Deficit Cash												
Accounts payable				59,689								59,689
Interfund loans payable	229,209	158,088	48,997		328,906	43,151	332,431	389,608	301,819	\$ 1,792	42,264	2,079,268
Total liabilities	229,209	158,088	48,997	59,689	328,906	43,151	332,431	389,608	301,819	1,792	42,264	2,138,957
Fund balance (deficit):												
Restricted												
Committed						12,829		464,788				489,076
Unassigned			(220)	(34,311)			(284,100)			(1,792)	(264)	(323,349)
Total fund balance (deficit)			(220)	(34,311)		12,829	(284,100)	464,788		(1,792)	(264)	165,727
Total liabilities and fund balance	\$ 229,209	\$ 158,088	\$ 48,777	\$ 25,378	\$ 328,906	\$ 55,980	\$ 48,331	\$ 854,396	\$ 301,819	\$ -	\$ 42,000	\$ 2,304,684

City of Sanford, Maine
Nonmajor Capital Project Funds
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2018

	4000 Number One Pond	4003 Job Bond Local Road Assistance	4005 Urban Forestry	4008 Goodall Statue	4036, 4042 Revolving Loan Funds - SHS and JH	4039 CGA Clean Up
Revenues:						
Intergovernmental						
Other					\$	877
Total revenues						877
Expenditures:						
Capital Improvements						4,352
Total expenditures						4,352
Excess (deficiency) of revenues over (under) expenditures						(3,475)
Other financing sources (uses):						
Transfers in						
Transfers out						
Proceeds from bonds						
Total other financing sources (uses)						
Net change in fund balances						(3,475)
Fund balances (deficit), beginning of year	\$ 200	\$ 752	\$ 5,590	\$ 1,252	\$ (140)	7,140
Fund balances (deficit), end of year	\$ 200	\$ 752	\$ 5,590	\$ 1,252	\$ (140)	\$ 3,665

City of Sanford, Maine
Nonmajor Capital Project Funds
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2018

	4045 Goodall Brook Watershed	4053 Railbed Phase IV Trail	4054 Consolidated Elementary	4056 Mousam River Bike Trails	4057 SRE Building Airport	4058 EDA Broadband Infrastructure	4059 2015 Assistance to Firefighters	4061 Dam Repair	4062 William Oscar Emery	Totals
Revenues:										
Intergovernmental	\$ 66,530			\$ 15,674			\$ 226,364		\$ 42,000	\$ 350,568
Other			\$ 1,550		\$ 116,525	\$ 85,187				204,139
Total revenues	66,530		1,550	15,674	116,525	85,187	226,364		42,000	554,707
Expenditures:										
Capital Improvements	68,174	\$ 4,100	2,075,438	17,383	318,629	320,485	226,365	\$ 1,792	42,264	3,078,982
Total expenditures	68,174	4,100	2,075,438	17,383	318,629	320,485	226,365	1,792	42,264	3,078,982
Excess (deficiency) of revenues over (under) expenditures	(1,644)	(4,100)	(2,073,888)	(1,709)	(202,104)	(235,298)	(1)	(1,792)	(264)	(2,524,275)
Other financing sources (uses):										
Transfers in										-
Transfers out										-
Proceeds from bonds			2,400,000							2,400,000
Total other financing sources (uses)			2,400,000							2,400,000
Net change in fund balances	(1,644)	(4,100)	326,112	(1,709)	(202,104)	(235,298)	(1)	(1,792)	(264)	(124,275)
Fund balances (deficit), beginning of year	(878)	3,880	(360,423)	14,538	(81,996)	700,086	1			290,002
Fund balances (deficit), end of year	\$ (2,522)	\$ (220)	\$ (34,311)	\$ 12,829	\$ (284,100)	\$ 464,788	\$ -	\$ (1,792)	\$ (264)	\$ 165,727

**City of Sanford, Maine
Nonmajor Permanent Funds
Combining Balance Sheet
June 30, 2018**

	7000 Gowen Park Trust	7001 Park Maintenance Fund	7002 Oakdale Cemetery Maintenance Trust	7003 Nutter Trust	7008 Holdsworth Park Trust	7012 Goodall Park	Totals
ASSETS							
Cash and cash equivalents	\$ 106,462	\$ 5,082	\$ 80,979	\$ 24,699	\$ 27,944	\$ 276,510	\$ 521,676
Accounts receivable	442						442
Investments			377,310		452,055		829,365
Land (held for investment)					109,500		109,500
Total assets	106,904	5,082	458,289	24,699	589,499	276,510	1,460,983
LIABILITIES AND FUND BALANCES							
Liabilities:							
Interfund loans payable	68,139	5,082	28,050		20,985	274,009	396,265
Total liabilities	68,139	5,082	28,050		20,985	274,009	396,265
Fund balances:							
Nonspendable Principal		6,000					6,000
Nonspendable Land					109,500		109,500
Restricted Expendable Income	38,765	(6,000)	430,239	24,699	459,014	2,501	949,218
Total fund balances	38,765		430,239	24,699	568,514	2,501	1,064,718
Total liabilities and fund balances	\$ 106,904	\$ 5,082	\$ 458,289	\$ 24,699	\$ 589,499	\$ 276,510	\$ 1,460,983

City of Sanford, Maine
Nonmajor Permanent Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2018

	7000 Gowen Park Trust	7001 Park Maintenance Fund	7002 Oakdale Cemetery Maintenance Trust	7003 Nutter Trust	7008 Holdsworth Park Trust	7012 Goodall Park	Totals
Revenues:							
Interest and dividends	\$ 25		\$ 1,666	\$ 49	\$ 22,940		\$ 24,680
Donations	12,874		3,200			\$ 23,751	39,825
Total revenues	12,899		4,866	49	22,940	23,751	64,505
Expenditures:							
Earnings retained by General Fund							
Public services	14,800				4,200	6,300	25,300
Total expenditures	14,800				4,200	6,300	25,300
Excess (deficiency) of revenues over (under) expenditures	(1,901)		4,866	49	18,740	17,451	39,205
Other financing sources (uses):							
Transfers out							-
Total other financing sources (uses)							-
Net change in fund balances	(1,901)		4,866	49	18,740	17,451	39,205
Fund balances, beginning of year	40,666		425,373	24,650	549,774	(14,950)	1,025,513
Fund balances, end of year	\$ 38,765	\$ -	\$ 430,239	\$ 24,699	\$ 568,514	\$ 2,501	\$ 1,064,718

City of Sanford, Maine
Private-Purpose Trust Funds
Combining Statement of Fiduciary Net Position
June 30, 2018

	7004 Thornburg Goodall Fund	7005 Lucy Emery Trust	7007 William Oscar Emery Trust	7009 Walter Cyr Trust	7010 High School Scholarship Fund	7011 Sherburne Basketball Fund	7013 School Scholarship Trust	Totals
ASSETS								
Cash and cash equivalents	\$ 1,294	\$ 13,906	\$ 20,195	\$ 8,538		\$ 7,180	\$ 159,162	\$ 210,275
Investments					\$ 1,108,552		1,469,591	2,578,143
Total assets	1,294	13,906	20,195	8,538	1,108,552	7,180	1,628,753	2,788,418
LIABILITIES AND NET ASSETS								
Liabilities:								
Accounts payable								
Interfund loans			20,195					20,195
Total liabilities			20,195					20,195
Net position:								
Nonspendable principal	399							399
Unexpended income	895	13,906		8,538	1,108,552	7,180	1,628,753	2,767,824
Total position assets	1,294	13,906		8,538	1,108,552	7,180	1,628,753	2,768,223
Total liabilities and net position	\$ 1,294	\$ 13,906	\$ 20,195	\$ 8,538	\$ 1,108,552	\$ 7,180	\$1,628,753	\$ 2,788,418

City of Sanford, Maine
Private-purpose Trust Funds
Combining Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2018

	7004	7005	7009	7010	7011	7013	
	Thornburg	Lucy	Walter	High School	Sherburne	School	
	Goodall	Emery	Cyr	Scholarship	Basketball	Scholarship	
	Fund	Trust	Trust	Fund	Fund	Trust	Totals
Additions (reductions)							
Donations, interest, dividends and investment gains or (losses)	\$ 7	\$ 76	\$ 17	\$ 128,312	\$ 118	\$ 163,715	\$ 292,245
Total additions (reductions)	7	76	17	128,312	118	163,715	292,245
Deductions:							
School scholarships				19,019			19,019
Expense						89,368	89,368
Capital outlay							
Total deductions				19,019		89,368	108,387
Other financing sources (uses):							
Transfers out							
Total other financing sources (uses)							
Changes in net assets	7	76	17	109,293	118	74,347	183,858
Net position, beginning of year	1,287	13,830	8,521	999,259	7,062	1,554,406	2,584,365
Net position, end of year	\$ 1,294	\$ 13,906	\$ 8,538	\$ 1,108,552	\$ 7,180	\$ 1,628,753	\$ 2,768,223

City of Sanford, Maine
 Agency Funds
 Statement of Changes in Assets and Liabilities
 For the Year Ended June 30, 2018

	Balance July 1, 2017	Additions	Deletions	Balance June 30, 2018
STUDENT ACTIVITIES:				
ASSETS				
Cash	\$ 293,374	\$ 469,851	\$ 455,684	\$ 307,541
LIABILITIES				
Due to student groups	\$ 293,374	\$ 469,851	\$ 455,684	\$ 307,541