Financial Report

June 30, 2014

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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, its 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, 2014, 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.

Macpage LLC
30 Long Creek Drive, South Portland, ME 04106-2437 | 207-774-5701 | 207-774-7835 fax | cpa@macpage.com
One Market Square, Augusta, ME 04330-4637 | 207-622-4766 | 207-622-6545 fax
One Union Street, Suite 505, Portland, ME 04101-4050 | 207-774-4030 | 866-927-0288 fax
macpage.com

To the City Council
City of Sanford, Maine

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, its major fund, and the aggregate remaining fund information of the City of Sanford, Maine, as of June 30, 2014, 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.

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 6 and the schedule of funding progress on page 34, 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 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 Government Auditing Standards

In accordance with *Government Auditing Standards,* we have also issued our report dated January 16, 2015, on our consideration of 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Sanford Maine's internal control over financial reporting and compliance

Macpage LLC

South Portland, Maine
January 16, 2015

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, 2014. This is the City's tenth year of Statement No. 34 of the Governmental Accounting Standards Board (GASB) *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments.* This information in conjunction with the notes to the financial statements found on pages 15-33, can be considered when reading the City's financial statements.

What does the City of Sanford's GASB 34 implementation mean to you as a reader of these financial statements and supporting required supplementary information? In short, the standard migrates governmental reporting closer to the private sector model, which is more familiar to readers of financial statements and allows for Greater Fiscal Accountability (raising and spending of public monies) and Greater Operational Accountability (demonstrating the efficiency and effectiveness of government).

Financial Highlights

- Total assets of the City of Sanford exceeded its liabilities by $55,266,080. The governmental activities statement showed a decrease of net position of $1,978,827 for the fiscal year.
- The ending fund balance for all governmental funds combined was $11,913,429.
- The ending fund balance for the general fund was $8,535,243, a decrease of $333,887 over last year, The City, excluding the School, has an unrestricted balance of $9,950,654 of which $2,241,736 is committed to ongoing capital projects and $899,547 is assigned for the subsequent year budget and other purposes. This leaves an unassigned balance of $6,809,371, which is an adequate surplus. The School Department had an unassigned deficit of $1,501,924, which is after the accrual for teacher summer salaries.

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 determined is a discretely presented component unit.

The ***Statement of Net Position*** presents information about the City's assets and liabilities, with the difference between the two 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).

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 7 and 8.

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, 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 expenses 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 9 and 10.

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 of Sanford is trustee for a number of funds, the majority of which are scholarships. The fiduciary funds financial statements can be found on pages 13 and 14.

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 propriety 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 15-33.

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 36-65.

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.

	Governmental Activities	
	2014	2013
Current & Other	$ 19,081,236	$ 19,081,236
Assets Capital	55,345,133	57,468,309
Total Assets	73,867,150	76,549,545
Long-term Liabilities	12,805,624	11,039,180
Other Liabilities	5,795,446	8,122,867
Total Liabilities	18,601,070	19,162,047
Net Position:		
Net Investment in Capital Assets	45,355,899	47,209,688
Restricted	4,606,112	3,925,180
Unrestricted	5,304,069	6,252,630
Total Net Position	$ 55,266,080	57,387,498

The City's net position decreased $1,978,827 during the fiscal Program expenses for the primary government totaled $70,904,546 to which $34,024,234 of total program revenues are applied for a net decrease of $36,920,312. (See the Statement of Activities, page 8 for a detail breakdown by program unit). This net decrease is offset by general revenues of $34,941,485, which resulted in the decrease in net position.

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 - Governmental Funds on page 9.

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 $11,913,429.

The *general* fund balance is $8,535,243, which is a decrease of $333,887 over fiscal 2013. Of this balance, $2,241,736 is committed for a number of carry forward projects unfinished at year-end and an additional $899,547 is assigned toward the subsequent year budget. The unassigned balance is $5,307,447. For detail comparing budget to actual expense see the Statement of Revenues, Expenditures and Changes in Fund Balance on page 12.

Although the City had positive budget variances in expenditures totaling $2,564,226, the City budgeted to utilize fund balance toward the capital plan or to offset the 2014 commitment, resulting in a decrease in the general fund balance of $350,125, on a budgetary basis, from the prior year. The ending fund balance at June 30, 2014 is considered well within a healthy range.

Other Governmental Funds balance of $3,378,186 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's investment in capital assets for its' governmental-type activities totaled $55,345,133 as of June 30, 2014. 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 23 in the Notes to the Financial Statements. In the current year significant capital asset purchases totaled approximately $1,500,000 with the more significant additions being a new fire truck for approximately $474,000, 3 new police cruisers for approximately $79,000 and new public works equipment for approximately $422,000.

Long -term Debt

The City of Sanford's long-term liabilities at fiscal year end totals $13,784,975. The long-term liability activity was as follows: bonds and notes payable $9,658,111, capital leases $643,570, compensated absences $2,148,942, other postemployment benefits $979,352 and landfill post closure care costs $355,000, $1,382,191 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 viewed in the Notes to Basic Financial Statements on page 24.

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 $1,328,000,000. The current debt limitation for the City of Sanford is $199,200,000 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 increased 1.88 mils to 21.20.

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, 2014

	Governmental Activities	Component Unit Goodall Park Trust
ASSETS		
Cash and cash equivalents	$ 13,593,366	$ 26,983
Investments	750,895	494,223
Receivables:		
Accounts and intergovernmental, net	1,738,560	
Taxes receivable	1,672,833	
Tax liens	632,484	
Inventory	24,379	
Land (held for investment)	109,500	
Capital assets, not being depreciated	3,707,533	
Capital assets, net	51,637,600	
Total Assets	73,867,150	521,206
LIABILITIES		
Accounts payable and other current liabilities	252,838	
Accrued payroll and other related liabilities	4,492,972	
Accrued interest	70,284	
Other post employment benefits	979,352	
Noncurrent liabilities:		
Due within one year	1,382,191	
Due in more than one year	11,423,433	
Total Liabilities	18,601,070	
NET POSITION		
Net investment in capital assets	45,355,899	
Restricted for:		
Nonexpendable trust principal	6,000	521,206
Expendable permanent funds	997,009	
Grants and other purposes	3,603,103	
Unrestricted	5,304,069	
Total Net Position	**$ 55,266,080**	**$ 521,206**

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

City of Sanford, Maine
Statement of Activities
For the year ended June 30, 2014

Functions/programs	Expenses	Program revenues: Charges for services	Program revenues: Operating grants and contributions	Program revenues: Capital grants and contributions	Net (expense) revenue and changes in net position: Primary government: Governmental activities	Net (expense) revenue and changes in net position: Component unit: Goodall Park Trust
Primary government:						
Governmental activities:						
General government	$ 7,946,225	$ 878,519	$ 525,929		$ (6,541,777)	-
Public services	2,648,774	82,999	264,664		(2,301,111)	-
Public safety	8,331,383	2,299,897	60,307		(5,971,179)	-
Public works	6,241,857	77,661	781,940		(5,382,256)	-
Education	43,453,056	419,099	28,593,219		(14,440,738)	-
County tax	778,705				(778,705)	-
Interest on debt service	360,970				(360,970)	-
Capital improvements	350,165				(350,165)	-
Other	793,411				(793,411)	-
Total governmental activities	70,904,546	3,758,175	30,226,059	-	(36,920,312)	-
Total primary government	**$ 70,904,546**	**$ 3,758,175**	**$ 30,226,059**	**-**	**(36,920,312)**	**-**
Component unit:						
Goodall Park Trust	$ 24,014	-	$ 95,416	-	-	$ 71,402
General revenues:						
Property taxes, levied for general purposes					28,951,980	
Excise taxes					2,867,096	
Payments in lieu of taxes					33,761	
Interest and penalties on taxes					106,958	
Franchise Tax					238,261	
Grants and contributions not restricted to specific programs:						
Homestead exemption and business equipment exemption					625,644	
Other State aid					396,727	
State Revenue Sharing					1,278,152	
Donations and contributions					46,206	
Unrestricted investment earnings					128,639	
Other					268,061	
Total general revenues					34,941,485	-
Change in net position					(1,978,827)	71,402
Net position - beginning, as restated					57,244,907	449,804
Net position - ending					**$ 55,266,080**	**$ 521,206**

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

City of Sanford, Maine
Balance Sheet
Governmental Funds
June 30, 2014

	General	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents	$ 12,321,490	$ 1,271,876	$ 13,593,366
Investments		750,895	750,895
Receivables:			
Accounts and intergovernmental, net	550,921	1,187,639	1,738,560
Taxes receivable	1,237,999		1,237,999
Taxes receivable - prior years	434,834		434,834
Tax liens	632,484		632,484
Interfund loans receivable		792,963	792,963
Inventory		24,379	24,379
Land (held for investment)		109,500	109,500
Total assets	**$ 15,177,728**	**$ 4,137,252**	**$ 19,314,980**
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable and other current liabilities	$ 252,839	$ -	$ 252,839
Accrued payroll and other related liabilities	4,169,320	323,652	4,492,972
Interfund loans payable	357,548	435,414	792,962
Total liabilities	4,779,707	759,066	5,538,773
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue-property taxes	1,862,778	-	1,862,778
Total deferred inflows of resources	1,862,778	-	1,862,778
Fund balances:			
Nonspendable		139,879	139,879
Restricted	86,513	3,516,590	3,603,103
Committed	2,241,736	20,791	2,262,527
Assigned	899,547		899,547
Unassigned	5,307,447	(299,074)	5,008,373
Total fund balances	8,535,243	3,378,186	11,913,429
Total liabilities, deferred inflows of resources and fund balances	**$ 15,177,728**	**$ 4,137,252**	

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.	55,345,133
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	1,862,778
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	(9,658,111)
Capital leases	(643,571)
Accrued interest	(70,284)
Landfill liability	(355,000)
Other postemployment benefits liability	(979,352)
Accrued compensated absences	(2,148,942)
Net position of governmental activities	**$ 55,266,080**

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, 2014

	General	Other Governmental Funds	Total Governmental Funds
Revenues:			
Taxes	$ 31,027,682	$ 762,583	$ 31,790,265
Licenses and permits	3,015,072		3,015,072
Intergovernmental	25,763,862	5,255,356	31,019,218
Investment income	72,687	55,952	128,639
Donations		46,206	46,206
Other	772,919	2,017,631	2,790,550
Total revenues	60,652,222	8,137,728	68,789,950
Expenditures:			
Current:			
General government	6,670,259	1,151,066	7,821,325
Public services	1,801,269	441,127	2,242,396
Public safety	8,051,642	15,881	8,067,523
Public works	3,717,986	663,845	4,381,831
County tax	856,817		856,817
Education	37,094,132	5,682,942	42,777,074
Debt service	1,150,578		1,150,578
Capital improvements	1,186,372	688,271	1,874,643
Other	793,411		793,411
Total expenditures	61,322,466	8,643,132	69,965,598
Deficiency of revenues over expenditures	(670,244)	(505,404)	(1,175,648)
Other financing sources (uses):			
Transfers in	118,346	88,200	206,546
Transfers out	(10,000)	(196,546)	(206,546)
Proceeds from capital leases	228,011		228,011
Proceeds from bonds		811,000	811,000
Total other financing sources	336,357	702,654	1,039,011
Net change in fund balances	(333,887)	197,250	(136,637)
Fund balances, beginning of year, as restated	8,869,130	3,180,936	12,050,066
Fund balances, end of year	**$ 8,535,243**	**$ 3,378,186**	**$ 11,913,429**

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, 2014

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds		$ (136,637)
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		1,524,478
Depreciation expense		(3,647,654)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		135,769
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		(14,955)
Landfill		35,000
Compensated absences		(98,754)
Other postemployment benefits liability		(123,572)
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		(228,011)
Capital lease principal payments		143,843
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.		
General obligation bond proceeds	$ (811,000)	
General obligation bond payments	1,164,554	
York County debt payments	78,112	431,666
Change in net position of governmental activities		**$ (1,978,827)**

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, 2014

	Budgeted amounts			Variance with final budget positive
	Original	Final	Actual	(negative)
Revenues:				
Taxes	$ 30,665,011	$ 30,790,011	$ 31,027,682	$ 237,671
Licenses, permits and fees	2,769,123	2,893,123	3,015,072	121,949
Intergovernmental	24,426,569	23,887,812	23,125,862	(761,950)
Interest earned	60,000	60,000	72,649	12,649
Other	304,620	852,946	673,700	(179,246)
Total revenues	58,225,323	58,483,892	57,914,965	(568,927)
Expenditures:				
Current:				
General government	5,719,529	6,459,309	6,593,193	(133,884)
Public services	1,904,790	1,790,991	1,737,372	53,619
Public safety	8,309,029	8,199,723	8,024,278	175,445
Public works	3,640,611	3,582,360	3,541,086	41,274
Education	35,108,329	35,108,329	34,456,132	652,197
County tax	856,817	856,817	856,817	
Other	899,288	899,288	793,411	105,877
Debt service	1,144,627	1,144,627	1,147,738	(3,111)
Capital improvements	1,792,303	3,428,108	1,186,372	2,241,736
Total expenditures	59,375,323	61,469,552	58,336,399	3,133,153
Deficiency of revenues over expenditures	(1,150,000)	(2,985,660)	(421,434)	2,564,226
Other financing sources:				
Use of designated fund balance		1,635,805		(1,635,805)
Transfers in			71,309	71,309
Budgeted use of fund balance - City	650,000	849,855		(849,855)
Budgeted use of fund balance - Education	500,000	500,000		(500,000)
Total other financing sources	1,150,000	2,985,660	71,309	(2,914,351)
Net change in fund balances - budgetary basis			(350,125)	(350,125)
Reconciliation to GAAP basis:				
Change in general fund committed funds			16,238	
Net change in fund balances - GAAP basis			(333,887)	
Fund balance, beginning of year			8,869,130	
Fund balance, end of year			**$ 8,535,243**	

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

City of Sanford, Maine
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2014

	Private - purpose Trust Funds	Agency Funds
ASSETS		
Cash and cash equivalents	$ 199,320	$ 422,794
Investments	792,388	
Total assets	**991,708**	**422,794**
LIABILITIES		
Due to student groups	-	422,794
Total liabilities	-	422,794
NET POSITION		
Held in trust	**$ 991,708**	**$ -**

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, 2014

		Private-purpose Trust Funds
Additions:		
Donations, interest and dividends	$	116,982
Total additions		116,982
Deductions:		
School scholarships		15,339
Total deductions		15,339
Change in net position		101,643
Net position, beginning of year		890,065
Net position, end of year	**$**	**991,708**

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

Notes to Financial Statements

June 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Sanford, Maine (the City) have been prepared in accordance with accounting principles generally accepted 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 it 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 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, 2014

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. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. 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 fund:

> 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.

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, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Assets, Liabilities, Deferred Inflows of Resources, and Equity – 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.

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.

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 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. Interest incurred during the construction phase of capital assets, if material to the basic financial statements, is included as part of the capitalized value of the assets 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.

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.

Notes to Financial Statements

June 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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 so will not be recognized as an inflow of resources (revenue) until that time. The City has one type of item, which arises under the modified accrual basis of accounting that qualifies for reporting in this category. 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 Fund 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.

Notes to Financial Statements

June 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Fund Equity – Continued

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.

Recent Accounting Pronouncements

In June 2012, the GASB issued GASB Statement No. 68, "Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27. This statement improves accounting and financial reporting by state and local governments for pensions. The new statement is effective for periods beginning after June 15, 2014. The City is currently assessing the impact of this statement on its financial statements.

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, 2014, expenditures exceeded appropriations in the following categories:

City Council	$ 1,571	Emergency management	$ 1,323
Administration	2,903	Police - other	38,489
Personnel	221	Police - school	855
Information systems	8,441	Public works	5,520
Treasurer/City clerk	7,868	Recreation	2,992
General assistance	33,285	Airport	753
Legal services	28,183	Debt	3,111
Employee benefits	105,486	Other	1,915
Fire department	3,696		

Notes to Financial Statements

June 30, 2014

NOTE 3 – CASH AND INVESTMENTS

Deficit Fund Balances

At June 30, 2014, the following funds had deficit fund balances over $10,000:

Montreal Street	$16,223	IDEA Grant – Local Entitlement	$ 234,290
Bodwell Street	25,640		
Homeland Security	11,346		
Tax Acquired Property	22,936		

These deficits will be funded by future grant revenue, charges for services or future bond proceeds or the general fund.

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, 2014, of the City's bank balance of $14,050,128 none 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 F.D.I.C. insurance or by additional insurance purchased on behalf of the City by the respective banking institution. All of the City's $733,046 investment in money market and repurchase/sweep agreements was covered by the FDIC 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, 2014, the City had the following investments and maturities:

	Fair Value	Less Than 1 Year	1-5 Years	More Than 5 Years
Fixed income	$ 481,833	$ 164,820	$ 256,893	$ 60,119
Mutual funds (1)	181,550		Not applicable	
Equities	1,374,123		Not applicable	
Total investments	$ 2,037,506	$ 164,820	$ 256,893	$ 60,119

(1) Mutual funds are not considered securities and are exempt from credit risk disclosure noted below.

Investments have been reported as follows:

Reported in governmental funds	$ 750,895
Reported in component unit funds	494,223
Reported in fiduciary funds	792,388
Total investments	$ 2,037,506

Notes to Financial Statements

June 30, 2014

NOTE 4 – RECEIVABLES AND PROPERTY TAXES

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

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.

Receivables

Receivables as of year-end for the City's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts of $799,970, are as follows:

	General Fund	Nonmajor Funds	Total
Receivables			
Taxes	$ 1,672,833		$ 1,672,833
Liens	632,484		632,484
Accounts and intergovernmental	1,350,891	$ 1,187,639	2,538,530
Allowance	(799,970)		(799,970)
Net total receivables	$ 2,856,238	$ 1,187,639	$ 4,043,877

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 is reported in the governmental funds as follows:

	Unavailable
Deferred inflows of resources	
Unavailable revenue – property taxes (general fund)	$ 1,862,778

Property Tax

Property taxes for the current year were committed on August 14, 2013, 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 96.4% of the estimated State valuation of $1,377,700,000.

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 $96,819 for the year ended June 30, 2014.

Tax liens are placed on real property within twelve months following the tax commitment date if taxes are delinquent. The 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.

Notes to Financial Statements

June 30, 2014

NOTE 4 – RECEIVABLES AND PROPERTY TAXES – CONTINUED

Property Tax – Continued

The following summarizes the 2014 levy:

Assessed value	$ 1,328,160,860
Tax rate (per $1,000)	21.20
Commitment	28,157,010
Supplemental taxes assessed	0
Total levy	28,157,010
Less collections	26,919,011
Receivable at end of year	$ 1,237,999
Due date(s)	½ September 16, 2013 ½ March 17, 2014
Interest on delinquent taxes	7%
Collection rate	95.6%

Interfund Receivables and Payables

Individual interfund loans receivable and payable balances and transfers at June 30, 2014 were as follows:

Fund	Interfund Loans Receivable	Interfund Loans Payable
General Fund	$ 512,345	
Other Governmental Funds	795,177	$ 1,307,522
Totals	$ 1,307,522	$ 1,307,522

Notes to Financial Statements

June 30, 2014

NOTE 5 – CAPITAL ASSETS

Capital Assets

Governmental Activities	Balance June 30, 2013	Increases	Decreases	Balance June 30, 2014
Capital assets, not being depreciated				
Land	$ 3,674,533	$ 11,011	$ (11,011)	$ 3,674,533
Artwork	33,000			33,000
Total capital assets, not being depreciated	3,707,533	11,011	(11,011)	3,707,533
Capital assets, being depreciated				
Land improvements	1,102,600			1,102,600
Buildings and improvements	24,446,454	285,011	(125,161)	24,606,304
Machinery and equipment	8,225,656	473,884	(213,736)	8,485,804
Vehicles	5,747,200	765,583	(289,030)	6,223,753
Library supplies	1,566,315			1,566,315
Infrastructure	75,510,903			75,510,903
Total capital assets being depreciated	116,599,128	1,524,478	(627,927)	117,495,679
Less accumulated depreciation for:				
Land improvements	(464,315)	(28,351)		(492,666)
Buildings and improvements	(10,189,055)	(835,296)	125,161	(10,899,190)
Machinery and equipment	(6,120,559)	(408,137)	213,736	(6,314,960)
Vehicles	(3,484,958)	(394,977)	289,030	(3,590,905)
Library supplies	(1,143,213)	(104,473)		(1,247,686)
Infrastructure	(41,436,252)	(1,876,419)		(43,312,671)
Total accumulated depreciation	(62,838,352)	(3,647,654)	627,927	(65,858,079)
Total capital assets being depreciated, net	53,760,776	(2,123,176)		51,637,600
Governmental activities capital assets, net	**$57,468,309**	**$ (2,112,165)**	**$ (11,011)**	**$55,345,133**

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

Governmental activities	
General government	$ 146,417
Public safety	263,860
Public works, including depreciation of general infrastructure assets	1,895,026
Public services	406,378
Education	935,973
Total depreciation expense	$ 3,647,654

Notes to Financial Statements

June 30, 2014

NOTE 6 – LONG-TERM DEBT

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2014 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds and notes payable	$ 9,699,218	$ 811,000	$(1,164,554)	$ 9,345,664	$1,134,981
Note payable – York County	390,559		(78,112)	312,447	78,112
Capital leases	559,403	228,011	(143,844)	643,570	134,098
Compensated absences	2,050,188	164,545	(65,791)	2,148,942	
Other post employment benefits	855,780	123,572		979,352	
Landfill postclosure care costs	390,000		(35,000)	355,000	35,000
Long-term liabilities	$13,945,148	$ 1,327,128	$(1,487,301)	$13,784,975	$1,382,191

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, 2014, the City's outstanding amount of the note payable to York County was $312,447.

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, 2014:

Fiscal Year Ending	
2015	$ 158,500
2016	138,365
2017	125,081
2018	93,270
2019	47,839
2020 - 2023	182,178
Total minimum lease payments	745,233
Less amount representing interest	(101,663)
Present value of future minimum lease payments	$ 643,570

Notes to Financial Statements

June 30, 2014

NOTE 6 – LONG-TERM DEBT – CONTINUED

	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%	$ 19,848
School Paving	600,000	2004	2014	3.019-3.644%	60,000
PW/Fire 2006 Series B Bonds	1,100,000	2006	2016	2.00-5.35%	330,000
School Revolving Loan Fund	1,000,000	2006	2016	0.00%	95,100
Airport Improvements	670,000	2006	2016	1.00-6.00%	95,715
Roundabout/Millyard	3,650,000	2008	2024	2.075-5.575%	1,900,000
School Revolving Loan	248,175	2010	2014	0.00%	16,479
Police Station Part 1	3,210,000	2010	2029	2.00-5.50%	2,751,755
Police Station Part 2	3,000,000	2010	2030	3.436%	2,656,792
School Heating Systems	650,000	2011	2017	0.059-4.30%	390,000
School Renovations	47,438	2012	2016	0.00%	18,975
Promissory Note – Mapes	112,500	2013	2015	0.00%	75,000
Promissory Note – Lincoln Street	187,500	2013	2015	0.00%	125,000
School Interim Financing	630,000	2014	2019	1.93%	630,000
Brownfield Revolving Loan Fund	181,000	2014	2025	3.00%	181,000
Total bonds and notes payable	$ 15,417,613				$ 9,345,664

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

Years Ending June 30,	Principal	Interest	Total
2015	$ 1,134,981	$ 297,949	$ 1,432,930
2016	977,142	272,095	1,249,237
2017	872,781	248,754	1,121,535
2018	606,080	228,503	834,583
2019	612,132	211,349	823,481
2020-2024	2,603,619	735,931	3,339,550
2025-2029	1,921,251	243,504	2,164,755
2030-2031	617,678	17,234	634,912
Totals	$ 9,345,664	$ 2,255,319	$ 11,600,983

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, 2014, the City's outstanding debt did not exceed these limits.

Notes to Financial Statements

June 30, 2014

NOTE 6 – LONG-TERM DEBT – CONTINUED

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, 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 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 DEP continued, and in April 1996 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.

The City completed phase three improvements in 2000 and since then, has been operating the landfill rernediation 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 DEP "shall meet to jointly evaluate the technical feasibility of further rernediation under this paragraph [paragraph 34 of the Administrative Order], and the Respondent [City] shall perform further remediation as required by 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 DEP what, if any, additional remediation measures must be undertaken at the Site. That report was submitted and discussions did occur.

Notes to Financial Statements

June 30, 2014

NOTE 6 – LONG-TERM DEBT – CONTINUED

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 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, 2014, the City's recorded liability representing the remaining cost related to closure and post closure is $350,000. This is based upon 10 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.

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, 2014, the City's share is 4.87% or $440,209 of York County's $9,039,196 long-term debt outstanding as of June 30, 2014.

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, 2014, was $1,707,045.

Notes to Financial Statements

June 30, 2014

NOTE 7 – FUND BALANCES AND NET POSITION

Fund Balances

As of June 30, 2014, fund balance components consisted of the following:

	General Fund	Other Governmental Funds	Total
Nonspendable:			
Inventory		$ 21,865	$ 21,865
Land held for resale		109,500	109,500
Principal for permanent funds		6,000	6,000
Total Nonspendable		137,365	137,365
Restricted:			
Adult education	$ 86,513		86,513
Special revenue funds		2,597,618	2,597,618
Capital project funds		31,079	31,079
Permanent funds		887,509	887,509
Total Restricted	86,513	3,516,206	3,602,719
Committed:			
Capital plan	2,241,736		2,241,736
Capital projects		20,791	20,791
Total Committed	2,241,736	20,791	2,262,527
Assigned:			
Subsequent budget – City	850,000		850,000
Various assigned funds	49,547		49,547
Total Assigned	899,547		899,547
Unassigned	5,410,541	(425,238)	4,985,303
Total Fund Balance	$ 8,638,337	$ 3,249,124	$11,887,461

Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds and capital leases payable and adding back any unspent proceeds. Net position are reported as restricted when there are limitations imposed on their 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. The City's net investment in capital assets was calculated as follows at June 30, 2014:

Notes to Financial Statements

June 30, 2014

NOTE 7 – FUND BALANCES AND NET POSITION – CONTINUED

Net Position – Continued

	Governmental Activities
Capital assets	$ 121,203,212
Accumulated depreciation	(65,858,079)
Bonds and notes payable	(9,658,111)
Add back note payable to County	312,447
Capital leases	(643,570)
Net investment in capital assets	**$ 45,355,899**

NOTE 8 – 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, 2014:

Fiscal Year Ending	
2015	$ 200,905
2016	166,692
2017	164,548
2018	69,620
Total operating lease payments due	**$ 601,766**

NOTE 9 – 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, 2014.

Notes to Financial Statements

June 30, 2014

NOTE 10 – MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM (MAINE PERS) – CONSOLIDATED PLAN

Description of the Plan – The City contributes to Maine Public Employees Retirement System Consolidated Plan, a cost sharing multiple-employer public employee retirement system established by the Maine State legislature. The Maine Public Employees Retirement System provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The authority to establish and amend benefit provisions rests with the State Legislature. The Maine Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the Consolidated Plan. That report may be obtained by writing to Maine Public Employees Retirement System, 46 State House Station, Augusta, Maine 04333-0046 or by calling 1-800-4519800.

Funding Policy – Plan members are required to contribute at rates of 6.5% for the Regular AC Plan and Special #1C Plan of their annual covered salary and the City of Sanford, Maine is required to contribute an actuarially determined rate. The current rate is 6.5% for the Regular AC Plan, and 12.8% for the Special #1C Plan of annual covered payroll. The contribution rates of plan members and the City of Sanford, Maine are established and may be amended by the Maine Public Employees Retirement System Board of Trustees. The City's required contributions to the Maine Public Employees Retirement System Consolidated Plan for the years ended June 30, 2014, 2013 and 2012 were $849,714, $519,569, and $226,745, respectively, were reduced by the credits noted below equal to the required contribution for each year.

Actuarial Asset at Transition – Effective July 1, 1995, the City joined the Consolidated Plan of the Maine Public Employees Retirement System. Upon entry, the City ceased to be an individual sponsor of PLD #42 and instead became a participant in the Consolidated Plan. As a participant of the plan, the City is entitled to its initial unpooled actuarial asset, which resulted from excess funding in the previous plan. At June 30, 2013 (latest available information), the remaining balance was $0.00. The City has used credits of $0.00, $240,840, and $226,745 for the years ended June 30, 2014, 2013, and 2012, respectively, to reduce contributions to the plan. Such amounts include amortization of the pension assets, together with interest on the asset balance

Maine PERS Teacher's Group

Description of Plan – All school teachers, plus other qualified educators, participate in the Maine Public Employees Retirement System's teacher group. The teacher's group is a cost-sharing plan with a special funding situation, established by the Maine State legislature. The Maine Public Employees Retirement System provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The authority to establish and amend benefit provisions rests with the State Legislature. The Maine Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the Teacher's Group.

Funding Policy – Plan members are required to contribute 7.65% of their compensation to the retirement system. The State of Maine Department of Education is required, by the same statute, to contribute the employer contribution, which amounts to approximately $2,638,000 (15.36%) for the fiscal year 2014. This amount has been reported as an intergovernmental revenue and education expenditure in the GAAP Basis financial statements (Pages 8 and 10). There is no contribution required by the School except for federally funded teachers, for which the School contributed 16.15% of their compensation. This amounted to approximately $180,000 during the fiscal year 2014. This cost is charged to the applicable grant.

The School Department also makes a contribution to the Maine Public Employees Retirement System Teachers Fund for the teachers of the School Department. The payment is determined by an actuary and is approximately 2.65% of the qualified teachers' salaries for the entire teachers' fund. For the year ended June 30, 2014, the amount of this contribution was approximately $490,000.

Notes to Financial Statements

June 30, 2014

NOTE 11 – 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 12 – OTHER POST EMPLOYMENT BENEFITS

The Governmental Accounting Standards Board (GASB) promulgated its Statement 45 which addressed the reporting and disclosure requirements for other post employment benefits (OPEB). GASB Statement 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, was implemented, as required, by the City of Sanford, Maine for the year ended June 30, 2009. Under this pronouncement, it requires that the long-term cost of retirement health care and obligations for other postemployment benefits be determined on an actuarial basis and reported similar to pension plans.

The City is a member of the Maine Municipal Employees Health Trust. The Trust is a multiple employer Voluntary Employee's Beneficiary Association. The City is an individually rated member within the Association. The Trust issues a publicly available financial report. That report may be obtained by writing to the Maine Municipal Association at 60 Community Drive, Augusta, ME 04332. The Trust contracted with an outside consultant to assist in the determination and valuation of the City's OPEB liability under GASB Statement 45. An OPEB liability actuarial valuation was completed by the consultants in October 2011 based on an actuarial valuation date of January 1, 2014.

Plan Descriptions — In addition to providing pension benefits, the City provides health care benefits for certain retired employees. Eligibility to receive health care benefits follows the same requirements as MainePERS. Eligible retirees are required to pay 100% of the health insurance premiums to receive health benefit coverage.

Funding Policy and Annual OPER Cost — GASB Statement 45 does not mandate the prefunding of postemployment benefits liability. The City currently plans to fund these benefits on a pay-as-you-go basis. No assets have been segregated and restricted to provide postemployment benefits. The annual required contribution (ARC), an actuarial determined rate, represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize unfunded actuarial liabilities over a period not to exceed 30 years,

The following table represents the OPEB costs for the years and the annual required contribution:

	2014
Normal cost	$ 67,765
Amortization of unfunded	84,010
Adjustment to ARC	(49,490)
Interest	37,237
Annual required contribution	$ 139,522

Required Supplementary Information - Schedule of Funding Progress

June 30, 2014 (Unaudited)

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS – CONTINUED

Net OPEB Obligation —The City's net OPEB obligation was calculated as follows:

	2014
OPEB liability, July 1,	$ 855,780
Annual required contribution	139,522
Less: actual contributions	(15,950)
	$ 979,352

Information provided by the actuary included corrections for the participation assumptions. This change affected 2012 year calculations which were all corrected in the prior year as a change in estimate.

Funding Status and Funding Progress – The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year ended June 30, 2014 was as follows:

Annual required contribution	$ 139,522
Actual contribution	15,950
Percent contributed	11.43%
Actuarial accrued liability	1,510,811
Plan assets	
Unfunded actuarial accrued liability	1,510,811
Covered payroll	9,579,591
Unfunded actuarial accrued liability	
As a percentage of covered payroll	13.39%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future, The required schedule of funding progress presented as required supplementary information provides multiyear trend information (only two years available) that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits,

Actuarial Methods and Assumptions — Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the City and plan members at that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of plan assets. Significant methods and assumptions were as follows:

Notes to Financial Statements

June 30, 2014

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS – CONTINUED

Actuarial valuation date	January 1, 2014
Actuarial cost method	Entry age normal
Amortization method	Level dollar
Remaining amortization period	30 years
Actuarial assumptions:	
Investment rate of return	4.0%
Projected salary increases	N/A
Healthcare inflation rate	4.0% - 9.0%

NOTE 13 – PRIOR PERIOD ADJUSTMENT AND RECLASSIFICATIONS

The following funds were restated in the 2014 financial statement presentation:

The general fund beginning fund balance was increased by $11,204 from $8,857,926 to $8,869,130 related to accounting for additional adult education money.

	Other Governmental Funds
Beginning balance, as previously stated	$ 3,334,735
Less: Goodall Park Trust reclassified to discrete component unit	(449,804)
Add: School Department grant receivables	296,005
Beginning balance, as restated	$ 3,180,936

Note 14 - Subsequent Event

On January 13, 2015, City of Sanford voters approved the construction of a new high school and technical center with an estimated cost of approximately $100,000,000. It has been estimated that the local share will be approximately $10,600,000 and the remaining amount to be funded by the state.

Required Supplementary Information

June 30, 2014

Schedule of Funding Progress
Other Post- Employment Benefits

Fiscal Year	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
2009	1/1/09	$ -	$ 2,107,460	$ 2,107,460	0.00%	$9,432,963	22.34%
2010	1/1/09		2,107,460	2,107,460	0.00%	9,473,582	22.25%
2011	1/1/11		2,057,933	2,057,933	0.00%	9,392,596	21.91%
2012	1/1/11		2,057,933	2,057,933	0.00%	9,350,059	22.00%
2013	1/1/11		2,057,933	2,057,933	0.00%	9,457,787	21.76%
2014	1/1/14		1,510,811	1,510,811	0.00%	9,579,591	15.77%

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Independent Auditors' Report on Additional Information

City Council
City of Sanford
Sanford, Maine

We have audited the financial statements of the City of Sanford, Maine as of and for the year ended June 30, 2014, and our report thereon dated January 16, 2015, which expressed an unmodified opinion on those financial statements, appears on pages 1 and 2. Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The accompanying schedules on pages 36 through 65 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Macpage LLC

South Portland, Maine
January 16, 2015

Macpage LLC
30 Long Creek Drive, South Portland, ME 04106-2437 | 207-774-5701 | 207-774-7835 fax | cpa@macpage.com
One Market Square, Augusta, ME 04330-4637 | 207-622-4766 | 207-622-6545 fax
One Union Street, Suite 505, Portland, ME 04101-4050 | 207-774-4030 | 866-927-0288 fax
macpage.com

City of Sanford, Maine
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2014

	Special Revenue Funds	Capital Project Funds	Permanent Funds	Total Other Governmental Funds
ASSETS				
Cash and cash equivalents	$ 1,849,976	$ 135,105	$ 355,146	$ 2,340,227
Investments			750,895	750,895
Accounts and intergovernmental receivable	1,187,639			1,187,639
Interfund loans	792,963			792,963
Inventory	24,379			24,379
Land (held for investment)			109,500	109,500
Total assets	**$ 3,854,957**	**$ 135,105**	**$ 1,215,541**	**$ 5,205,603**
LIABILITIES AND FUND BALANCES				
Liabilities:				
Deficit cash	$ 1,056,120	$ 12,231		$ 1,068,351
Accounts payable	-			-
Accrued payroll	323,652			323,652
Interfund loans	139,647	83,235	$ 212,532	435,414
Total liabilities	1,519,419	95,466	212,532	1,827,417
Fund balances (deficit):				
Nonspendable	24,379		115,500	139,879
Restricted	2,598,002	31,079	887,509	3,516,590
Committed		20,791		20,791
Unassigned	(286,843)	(12,231)		(299,074)
Total fund balances	2,335,538	39,639	1,003,009	3,378,186
Total liabilities and fund balances	**$ 3,854,957**	**$ 135,105**	**$ 1,215,541**	**$ 5,205,603**

City of Sanford, Maine
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the year ended June 30, 2014

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total Other Governmental Funds
Revenues:				
Taxes	$ 762,583			$ 762,583
Intergovernmental	5,169,402	$ 85,954		5,255,356
Donations			$ 46,206	46,206
Interest earned	2,419		53,533	55,952
Other revenue	2,017,631			2,017,631
Total revenues	7,952,035	85,954	99,739	8,137,728
Expenditures:				
Current:				
General government	1,151,066			1,151,066
Public services	287,804		153,323	441,127
Public safety	15,881			15,881
Public works	663,845			663,845
Education	5,682,942			5,682,942
Capital expenditures		688,271		688,271
Total expenditures	7,801,538	688,271	153,323	8,643,132
Excess (deficiency) of revenues over expenditures	150,497	(602,317)	(53,584)	(505,404)
Other financing sources (uses):				
Transfers in	88,200			88,200
Transfers out	(166,995)	(29,551)		(196,546)
Proceeds from bonds	181,000	630,000		811,000
Total other financing sources (uses)	102,205	600,449		702,654
Net change in fund balances	252,702	(1,868)	(53,584)	197,250
Fund balances, beginning of year, as restated	2,082,836	41,507	1,056,593	3,180,936
Fund balances, end of year	**$ 2,335,538**	**$ 39,639**	**$ 1,003,009**	**$ 3,378,186**

City of Sanford, Maine
Nonmajor Special Revenue Funds
Combining Balance Sheet
General Government - Federal and State
June 30, 2014

	2042 KKW	2129 Homeland Security Grant	2130 Tourism Development	**Totals**
ASSETS				
Cash and cash equivalents	$ 49,594		$ 25,000	$ 74,594
Total assets	**$ 49,594**	**$ -**	**$ 25,000**	$ 74,594
LIABILITIES AND FUND BALANCES				
Liabilities:				
Deficit Cash		$ 11,346		$ 11,346
Total liabilities		11,346		11,346
Fund balances:				
Restricted	$ 49,594		$ 25,000	74,594
Unassigned		(11,346)		(11,346)
Total fund balances (deficit)	49,594	(11,346)	25,000	63,248
Total liabilities and fund balances	**$ 49,594**	**$ -**	**$ 25,000**	**$ 74,594**

City of Sanford, Maine
Nonmajor Special Revenue Funds
Combining Balance Sheet
General Government - Other Programs
June 30, 2014

	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	2013 SPH, LLC TIF
ASSETS								
Cash and cash equivalents	$ 10,061	$ 32,412	$ 157,713	$ 15,963	$ 2	$ 15,247	$ 18,460	$ 44,392
Total Assets	**$ 10,061**	**$ 32,412**	**$ 157,713**	**$ 15,963**	**$ 2**	**$ 15,247**	**$ 18,460**	**$ 44,392**
LIABILITIES AND FUND BALANCES								
Liabilities:								
Deficit Cash	-	-	-	-	-	-	-	
Total Liabilities	-	-	-	-	-	-	-	-
Fund balances:								
Restricted	$ 10,061	$ 32,412	$ 157,713	$ 15,963	$ 2	$ 15,247	$ 18,460	$ 44,392
Unassigned								
Total fund balances (deficit)	10,061	32,412	157,713	15,963	2	15,247	18,460	44,392
Total liabilities and fund balances	**$ 10,061**	**$ 32,412**	**$ 157,713**	**$ 15,963**	**$ 2**	**$ 15,247**	**$ 18,460**	**$ 44,392**

City of Sanford, Maine
Nonmajor Special Revenue Funds
Combining Balance Sheet
General Government - Other Programs
June 30, 2014

	2014 Mill Development TIF	2015 New England Truck Tire TIF	2020 Impact Fees	2116 Tax Acquired Property Remediation	2118 Central Maine Power Company	City Unemployment Compensation	School Unemployment Compensation	**Totals**
ASSETS								
Cash and cash equivalents	$ 2,294	$ 3,608	$ 246,657	$ (22,936)	$ 35,000	$ 66,853	$ 91,934	$ 717,660
Total Assets	**$ 2,294**	**$ 3,608**	**$ 246,657**	**$ (22,936)**	**$ 35,000**	**$ 66,853**	**$ 91,934**	**$ 717,660**
LIABILITIES AND FUND BALANCES								
Liabilities:								
Deficit Cash								
Total Liabilities	-	-	-	-	-	-	-	-
Fund balances:								
Restricted	$ 2,294	$ 3,608	$ 246,657		$ 35,000	$ 66,853	$ 91,934	$ 740,596
Unassigned				$ (22,936)				(22,936)
Total fund balances (deficit)	2,294	3,608	246,657	(22,936)	35,000	66,853	91,934	717,660
Total liabilities and fund balances	**$ 2,294**	**$ 3,608**	**$ 246,657**	**$ (22,936)**	**$ 35,000**	**$ 66,853**	**$ 91,934**	**$ 717,660**

City of Sanford, Maine
Nonmajor Special Revenue Funds
Combining Balance Sheet
Public Service
June 30, 2014

	2115 Gateway Park	2127 International Film Festival	2119 Village of Springvale Improve Committee	2080 Teen Center	2084 Airport Open House	2090 Imelda's Fund	2091 Clean up Day	2114 Ollie Fund Skate Park	**Totals**
ASSETS									
Cash and cash equivalents	$ 2,601	$ 2,491		$ 7,164	$ 8,871	$ (304)	$ 98	$ 5,000	$ 25,921
Total Assets	**$ 2,601**	**$ 2,491**	**$ -**	**$ 7,164**	**$ 8,871**	**$ (304)**	**$ 98**	**$ 5,000**	**$ 25,921**
LIABILITIES AND FUND BALANCES									
Liabilities:									
Deficit cash			$ 8,205						$ 8,205
Total Liabilities			8,205						8,205
Fund balances:									
Restricted	$ 2,601	$ 2,491		$ 7,164	$ 8,871		$ 98	$ 5,000	26,225
Unassigned			(8,205)			$ (304)			(8,509)
Total fund balances (deficit)	2,601	2,491	(8,205)	7,164	8,871	(304)	98	5,000	17,716
Total liabilities and fund balances	**$ 2,601**	**$ 2,491**	**$ -**	**$ 7,164**	**$ 8,871**	**$ (304)**	**$ 98**	**$ 5,000**	**$ 25,921**

City of Sanford, Maine
Nonmajor Governmental Funds
Combining Balance Sheet
Education
June 30, 2014

	2200 Other school special revenue	2201 Wellness Team	2202 E-Rate	2203 Industrial Tech Sending School	2204 Melmac Grant	2205 Lucy Emery Funds	2209 Efficiency Maine	2210 Kids Club	2211 Lafayette Local Funds	2216 CAPCO Grant	2217 ING Unsung Heroes	2218 Junior High Local Funds	2222 Target Media Grant
ASSETS													
Cash and cash equivalents	$ -	$ 94	$ 136,305	$ 99,646		$ 1,140		$ 23,138					
Accounts receivable													
Interfund loans receivable			195,473	102,971	$ 20,930		$ 18,472	6,833	$ 775	$ 1,804	$ 1,451	$ 2,119	$ 499
Inventory													
Total Assets	**$ -**	**$ 94**	**$ 331,778**	**$ 202,617**	**$ 20,930**	**$ 1,140**	**$ 18,472**	**$ 29,971**	**$ 775**	**$ 1,804**	**$ 1,451**	**$ 2,119**	**$ 499**
LIABILITIES AND FUND BALANCES													
Liabilities:													
Deficit Cash					$ 19,211				$ 315		$ 264	$ 288	$ 204
Accounts payable													
Accrued Payroll													
Interfund loans payable	$ -												
Total Liabilities	-				19,211				315		264	288	204
Fund balances:													
Restricted		$ 94	$ 331,778	$ 202,617	1,719	$ 1,140	$ 18,472	$ 29,971	460	$ 1,804	1,187	1,831	295
Unassigned	-												
Total fund balances (deficit)	-	94	331,778	202,617	1,719	1,140	18,472	29,971	460	1,804	1,187	1,831	295
Total liabilities and fund balances	**$ -**	**$ 94**	**$ 331,778**	**$ 202,617**	**$ 20,930**	**$ 1,140**	**$ 18,472**	**$ 29,971**	**$ 775**	**$ 1,804**	**$ 1,451**	**$ 2,119**	**$ 499**

City of Sanford, Maine
Nonmajor Governmental Funds
Combining Balance Sheet
Education
June 30, 2014

	2223 Building Assets Reducing Risk	2224 Smart Grant	2228 Partners in Arts & Learning	2230 Title IA - ARRA	2233 Lighthouse Grant	2238 College Transition	2239 Title IA	2240 Elementary School Counseling Program	2245 Extended Secondary Counseling Grant	2247 Learn and Serve	2249 MaineCare
ASSETS											
Cash and cash equivalents	$ 9,810		$ (86)	$ -	$ 5,177	$ 16,276				$ -	
Accounts receivable	39,107						$ 173,860				
Interfund loans receivable		0			132		64,515				49,692
Inventory											
Total Assets	**$ 48,917**	**$ -**	**$ (86)**	**$ -**	**$ 5,309**	**$ 16,276**	**$ 238,375**			**$ -**	**$ 49,692**
LIABILITIES AND FUND BALANCES											
Liabilities:											
Deficit Cash							$ 86,732		$ -		$ 6,557
Accounts payable											
Accrued Payroll	$ 7,758						117,656				38,837
Interfund loans payable	46,713		$ 448	$ -		$ 3		$ -	0	$ -	
Total Liabilities	54,471		448	-		3	204,388	-	-	-	45,394
Fund balances:											
Restricted		-			5,309	16,273	33,987			-	4,298
Unassigned	(5,554)		(534)	-				-	-		
Total fund balances (deficit)	(5,554)	-	(534)	-	5,309	16,273	33,987	-	-	-	4,298
Total liabilities and fund balances	**$ 48,917**	**$ -**	**$ (86)**	**$ -**	**$ 5,309**	**$ 16,276**	**$ 238,375**			**$ -**	**$ 49,692**

City of Sanford, Maine
Nonmajor Governmental Funds
Combining Balance Sheet
Education
June 30, 2014

	2252 IDEA Grant - Local Entitlement	2253 ECT Grant (Preschool)	2254 Project Canopy	2256 Alcohol Abuse Reduction Grant	2258 21st Century	2259 Title V - Innovative	2261 Title III - English Language Acquisition	2262 Title IIA - Teacher Quality	2264 Safe Schools Healthy Students	2266 Nellie Mae Grant	2267 Homeland Security 2010	2268 Title IC - Perkins	2269 Adult Basic Education
ASSETS													
Cash and cash equivalents					$ 22,453			$ 19,492	$ -	$ 79,116			
Accounts receivable	$ 824,607	$ 4,008						22,136				$ 35,047	$ 4,449
Interfund loans receivable		15,306			706			273,897		11,550			25,838
Inventory													
Total Assets	**$ 824,607**	**$ 19,314**			**$ 23,159**			**$ 315,525**	**$ -**	**$ 90,666**		**$ 35,047**	**$ 30,287**
LIABILITIES AND FUND BALANCES													
Liabilities:													
Deficit Cash	$ 887,549	$ 703		$ -			$ 1,725					$ 14,186	$ 7,035
Accounts payable					$ -								
Accrued payroll	85,935	4,009								$ 49,046		20,411	
Interfund loans payable	82,713		$ -	0		$ -	717		$ -				
Total Liabilities	1,056,197	4,712	-	-	-	-	2,442		-	49,046		34,597	7,035
Fund balances:													
Restricted		14,602			23,159			$ 315,525	-	41,620		450	23,252
Unassigned	(231,590)		-	-		-	(2,442)						
Total fund balances (deficit	(231,590)	14,602	-	-	23,159	-	(2,442)	315,525	-	41,620		450	23,252
Total liabilities and fund balances	**$ 824,607**	**$ 19,314**	**$ -**	**$ -**	**$ 23,159**	**$ -**	**$ -**	**$ 315,525**	**$ -**	**$ 90,666**	**$ -**	**$ 35,047**	**$ 30,287**

City of Sanford, Maine
Nonmajor Governmental Funds
Combining Balance Sheet
Education
June 30, 2014

	2270 ARRA Jobs	2271 Health Insurance Premiums Pass-through	2272 Corning Grant	2273 SHS iPad Program	2274 Wal-Mart Foundation	2275 Trans Grant Proficiency	2276 Early College Grant	2277 Genest Foundation Grant	2278 Safe Schools Mini/Local	2279 SHS Local Funds	5000 School Cafeteria	**Totals**
ASSETS												
Cash and cash equivalents	$ 912		$ 2,970	$ 65,745	$ 1,669	$ 30,484	$ 12,000	$ 20,000		$ 725	$ 320,294	$ 867,360
Accounts receivable		$ 11,216									73,209	1,187,639
Interfund loans receivable									$ -			792,963
Inventory											24,379	24,379
Total Assets	**$ 912**	**$ 11,216**	**$ 2,970**	**$ 65,745**	**$ 1,669**	**$ 30,484**	**$ 12,000**	**$ 20,000**	**$ -**	**$ 725**	**$ 417,882**	**$ 2,872,341**
LIABILITIES AND FUND BALANCES												
Liabilities:												
Deficit Cash		$ 11,800										$ 1,036,569
Accounts payable												-
Accrued Payroll												323,652
Interfund loans payable	$ 912										$ 8,141	139,647
Total Liabilities	912	11,800									8,141	1,499,868
Fund balances:												
Restricted			$ 2,970	$ 65,745	$ 1,669	$ 30,484	$ 12,000	$ 20,000	$ -	$ 725	409,741	1,613,177
Unassigned		(584)										(240,704)
Total fund balances (deficit)		(584)	2,970	65,745	1,669	30,484	12,000	20,000	-	725	409,741	1,372,473
Total liabilities and fund balances	**$ 912**	**$ 11,216**	**$ 2,970**	**$ 65,745**	**$ 1,669**	**$ 30,484**	**$ 12,000**	**$ 20,000**	**$ -**	**$ 725**	**$ 417,882**	**$ 2,872,341**

City of Sanford, Maine
Nonmajor Special Revenue Funds
Combining Balance Sheet
Public Safety
June 30, 2014

	2053 Seized Assets	2056 Justice Assistance Grant	2064 Homeland Security	2075 Home Fire Sprinkler Coalition	2077 2011 JAG Program	2078 2012 JAG Program	2105 Firearms Range	2106 SPD Training	2111 Smoke Detector Program	**Totals**
ASSETS										
Cash and cash equivalents	$ 15,271	$ -	$ 5,467	$ 1,500	$ (1,898)	$ (1,450)	$ 7,036	$ 485	$ 2,936	$ 29,347
Total Assets	**$ 15,271**	**$ -**	**$ 5,467**	**$ 1,500**	**$ (1,898)**	**$ (1,450)**	**$ 7,036**	**$ 485**	**$ 2,936**	**$ 29,347**
LIABILITIES AND FUND BALANCES										
Liabilities:										
Deficit Cash										
Total Liabilities										
Fund balances:										
Nonspendable										
Restricted	$ 15,271		$ 5,467	$ 1,500			$ 7,036	$ 485	$ 2,936	$ 32,695
Unassigned					$ (1,898)	$ (1,450)				(3,348)
Total fund balances (deficit)	15,271		5,467	1,500	(1,898)	(1,450)	7,036	485	2,936	29,347
Total liabilities and fund balances	**$ 15,271**	**$ -**	**$ 5,467**	**$ 1,500**	**$ (1,898)**	**$ (1,450)**	**$ 7,036**	**$ 485**	**$ 2,936**	**$ 29,347**

City of Sanford, Maine
Nonmajor Special Revenue Funds
Combining Balance Sheet
Public Works
June 30, 2014

	2098 FEMA 1920 Disaster Recovery	2108 Brownfileds Assessment	2109 Brownfields Mill Clean up	2110 Brownfields CGA Clean up	2117 FEMA 4108 Disaster Recovery	**Totals**
ASSETS						
Cash and cash equivalents	$ 90,436	$ 1	$ 750	$ 750	$ 43,157	$ 135,094
Total Assets	**$ 90,436**	**$ 1**	**$ 750**	**$ 750**	**$ 43,157**	**$ 135,094**
LIABILITIES AND FUND BALANCES						
Liabilities:						
Deficit Cash						
Total Liabilities						
Fund balances:						
Nonspendable						
Restricted	$ 90,436	$ 1	$ 750	$ 750	$ 43,157	$ 135,094
Unassigned						
Total fund balances (deficit)	90,436	1	750	750	43,157	135,094
Total liabilities and fund balances	**$ 90,436**	**$ 1**	**$ 750**	**$ 750**	**$ 43,157**	**$ 135,094**

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, 2014

	2030 CD LMI General Account	2042 KKW	2112 Neighborhood Stabilization Grant	2126 Workforce Development	2129 Homeland Security Grant	2130 Tourism Development Grant	**Totals**
General Government							
Revenues:							
Intergovernmental			$ 283,962	$ 4,800		$ 25,000	$ 313,762
Other		$ 12,066					12,066
Total revenues		12,066	283,962	4,800		25,000	325,828
Expenditures:							
Expenses		4,712	283,963	4,800	$ 11,346		304,821
Total expenditures		4,712	283,963	4,800	11,346		304,821
Excess (deficiency) of revenues over (under) expenditures		7,354	(1)		(11,346)	25,000	21,007
Other financing sources (uses):							
Transfers in							
Transfers out	$ (436)						(436)
Total other financing sources (uses)	(436)						(436)
Net change in fund balances	(436)	7,354	(1)		(11,346)	25,000	20,571
Fund balances (deficit), beginning of year	436	42,240	1				42,677
Fund balances (deficit), end of year	**$ -**	**$ 49,594**	**$ -**	**$ -**	**$ (11,346)**	**$ 25,000**	**$ 63,248**

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, 2014

	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
Revenues:										
Taxes	$ 84,800	$ 35,574	$ 427,375	$ 26,432	$ 10,888	$ 43,991	$ 24,429	$ 9,937	$ 46,085	$ 45,856
Interest earned	32	38	159	26	3	27	21		45	1
Other										
Total revenues	84,832	35,612	427,534	26,458	10,891	44,018	24,450	9,937	46,130	45,857
Expenditures:										
Expenses	92,080	30,336	344,816	23,216	14,198	42,993	18,322	9,937	24,255	43,563
Total expenditures	92,080	30,336	344,816	23,216	14,198	42,993	18,322	9,937	24,255	43,563
Excess (deficiency) of revenues over (under) expenditures	(7,248)	5,276	82,718	3,242	(3,307)	1,025	6,128		21,875	2,294
Other financing sources (uses):										
Transfers in										
Transfers out										
Total other financing sources (uses)										
Net change in fund balances	(7,248)	5,276	82,718	3,242	(3,307)	1,025	6,128		21,875	2,294
Fund balances (deficit), beginning of year	17,309	27,136	74,995	12,721	3,309	14,222	12,332		22,517	
Fund balances (deficit), end of year	**$ 10,061**	**$ 32,412**	**$ 157,713**	**$ 15,963**	**$ 2**	**$ 15,247**	**$ 18,460**	**$ -**	**$ 44,392**	**$ 2,294**

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, 2014

	2015 New England Truck Tire TIF	2020 Impact Fees	2096 2010 Façade Improvements	2116 Tax Acquired Property Remediation	2118 Central Maine Power Company	2123 Street Decore	City Unemployment Compensation	School Unemployment Compensation	**Totals**
Revenues:									
Taxes	$ 7,216								$ 762,583
Interest earned		$ 343	$ 1				$ 284	$ 1,432	2,412
Other		26,565		$ 52,713	$ 103,750	$ 9,000	39,355	38,143	269,526
Total revenues	7,216	26,908	1	52,713	103,750	9,000	39,639	39,575	1,034,521
Expenditures:									
Expenses	3,608	2,743		89,234		9,000	40,657	57,287	846,245
Total expenditures	3,608	2,743		89,234		9,000	40,657	57,287	846,245
Excess (deficiency) of revenues over (under) expenditures	3,608	24,165	1	(36,521)	103,750		(1,018)	(17,712)	188,276
Other financing sources (uses):									
Transfers in									
Transfers out			(2,759)		(75,000)				(77,759)
Total other financing sources (uses)			(2,759)		(75,000)				(77,759)
Net change in fund balances	3,608	24,165	(2,758)	(36,521)	28,750		(1,018)	(17,712)	110,517
Fund balances (deficit), beginning of year		222,492	2,758	13,585	6,250		67,871	109,646	607,143
Fund balances (deficit), end of year	**$ 3,608**	**$ 246,657**	**$ -**	**$ (22,936)**	**$ 35,000**	**$ -**	**$ 66,853**	**$ 91,934**	**$ 717,660**

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, 2014

	2115 Gateway Park	2127 International Film Festival	2119 Village of Springvale Improve Committee	2080 Teen Center	2084 Airport Open House	2090 Imelda's Fund	2091 Clean up Day	2114 Ollie Fund Skate Park	**Totals**
Revenues:									
Intergovernmental	$ 39,438								$ 39,438
Interest earned				$ 7					7
Other		$ 3,181	$ 224,923			$ 4,753			232,857
Total revenues	39,438	3,181	224,923	7		4,753			272,302
Expenditures:									
Expenses	39,437	690	233,128		$ 255	14,294			287,804
Total expenditures	39,437	690	233,128		255	14,294			287,804
Excess (deficiency) of revenues over (under) expenditures	1	2,491	(8,205)	7	(255)	(9,541)			(15,502)
Other financing sources (uses):									
Transfers in									
Transfers out									
Total other financing sources (uses)									
Net change in fund balances	1	2,491	(8,205)	7	(255)	(9,541)			(15,502)
Fund balances (deficit), beginning of year	2,600			7,157	9,126	9,237	98	5,000	33,218
Fund balances (deficit), end of year	**$ 2,601**	**$ 2,491**	**$ (8,205)**	**$ 7,164**	**$ 8,871**	**$ (304)**	**$ 98**	**$ 5,000**	**$ 17,716**

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, 2014

	2200 Other School Special Revenue	2201 Wellness Team	2202 E-Rate	2203 Industrial Tech Sending School	2204 Melmac Grant	2205 Lucy Emery Funds	2209 Efficiency Maine	2210 Kids Club	2211 Lafayette Local Funds	2216 CAPCO Grant	2217 ING Unsung Heroes	2218 Junior High Local Funds
Revenues:												
Intergovernmental			$ 82,534	$ 126,646								
Other	13,942	$ 500				$ 1,140		$ 5,424				$ 500
Total revenues	13,942	500	82,534	126,646		1,140		5,424				500
Expenditures:												
Expenses		406	6,750	54,046	$ 6,434							514
Total expenditures		406	6,750	54,046	6,434							514
Excess (deficiency) of revenues over (under) expenditures	13,942	94	75,784	72,600	(6,434)	1,140		5,424				(14)
Other financing sources (uses):												
Transfers in				12,000								
Transfers out				(36,289)								
Total other financing sources (uses)				(24,289)								
Net change in fund balances	13,942	94	75,784	48,311	(6,434)	1,140		5,424				(14)
Fund balances, beginning of year	$ (13,942)		255,994	154,306	8,153		$ 18,472	24,547	$ 460	$ 1,804	$ 1,187	1,845
Fund balances (deficit), end of year	**$ -**	**$ 94**	**$ 331,778**	**$ 202,617**	**$ 1,719**	**$ 1,140**	**$ 18,472**	**$ 29,971**	**$ 460**	**$ 1,804**	**$ 1,187**	**$ 1,831**

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, 2014

	2222 Target Media Grant	2223 Building Assets Reducing Risk	2224 Smart Grant	2228 Partners in Arts & Learning	2230 Title IA - ARRA	2233 Lighthouse Grant	2238 College Transition	2239 Title IA	2240 Elementary School Counseling Program	2245 Extended Secondary Counseling Grant	2247 Learn and Serve	2249 MaineCare
Revenues:												
Intergovernmental							$ 46,000	$ 964,736				$ 163,475
Other	$ 2,000	$ 135,372		$ 1,000	1,238	$ 19,398			11	19,487		
	2,000	135,372		1,000	1,238	19,398	46,000	964,736	11	19,487		163,475
Expenditures:												
Expenses	1,858	122,709	3	1,126		12,965	31,614	976,952			2,341	312,730
	1,858	122,709	3	1,126		12,965	31,614	976,952			2,341	312,730
Excess (deficiency) of revenues over (under) expenditures	142	12,663	(3)	(126)	1,238	6,433	14,386	(12,216)	11	19,487	(2,341)	(149,255)
Other financing sources (uses):												
Transfers in												
Transfers out												
Net change in fund balances	142	12,663	(3)	(126)	1,238	6,433	14,386	(12,216)	11	19,487	(2,341)	(149,255)
Fund balances (deficit), beginning of year	153	(18,217)	3	(408)	$ (1,238)	(1,124)	1,887	46,203	$ (11)	$ (19,487)	2,341	153,553
Fund balances (deficit), end of year	**$ 295**	**$ (5,554)**	**$ -**	**$ (534)**	**$ -**	**$ 5,309**	**$ 16,273**	**$ 33,987**	**$ -**	**$ -**	**$ -**	**$ 4,298**

City of Sanford, Maine
Nonmajor Special Revenue Funds
Nonmajor Special Revenues, Expenditures and Changes in Fund Balances
Education
For the Year Ended June 30, 2014

	2252 IDEA Grant - Local Entitlement	2253 ECT Grant (Preschool)	2254 Project Canopy	2256 Alcohol Abuse Reduction Grant	2258 21st Century	2259 Title V - Innovative	2261 Title III - English Language Acquisition	2262 Title IIA - Teacher Quality	2264 Safe Schools Healthy Students	2266 Nellie Mae Grant	2267 Homeland Security 2010	2268 Title IC - Perkins
Revenues:												
Intergovernmental	$ 824,607	$ 36,031			$ 99,335		$ 7,201	$ 135,446				$ 146,718
Other			2,226	2,612		83,949				$ 949,549	$ 4,809	
	824,607	36,031	2,226	2,612	99,335	83,949	7,201	135,446		949,549	4,809	146,718
Expenditures:												
Expenses	913,106	24,951			99,335		7,261	137,321	16,724	1,069,157	4,809	146,718
	913,106	24,951			99,335		7,261	137,321	16,724	1,069,157	4,809	146,718
Excess (deficiency) of revenues over (under) expenditures	(88,499)	11,080	2,226	2,612		83,949	(60)	(1,875)	(16,724)	(119,608)		
Other financing sources (uses):												
Transfers in												
Transfers out										(12,000)		
										(12,000)		
Net change in fund balances	(88,499)	11,080	2,226	2,612		83,949	(60)	(1,875)	(16,724)	(131,608)		
Fund balances (deficit), beginning of year	(143,091)	3,522	$ (2,226)	$ (2,612)	23,159	$ (83,949)	(2,382)	317,400	$ 16,724	173,228		450
Fund balances (deficit), end of year	**$ (231,590)**	**$ 14,602**	**$ -**	**$ -**	**$ 23,159**	**$ -**	**$ (2,442)**	**$ 315,525**	**$ -**	**$ 41,620**		**$ 450**

City of Sanford, Maine
Nonmajor Special Revenue Funds
Nonmajor Special Revenues, Expenditures and Changes in Fund Balances
Education
For the Year Ended June 30, 2014

	2269 Adult Basic Education	2271 Health Insurance Premiums Pass-through	2272 Corning Grant	2273 SHS iPad Program	2274 Wal-Mart Foundation	2275 Trans Grant Proficiency	2276 Early College Grant	2277 Genest Foundation Grant	2278 Safe Schools Mini/Local	2279 SHS Local Funds	5000 School Cafeteria	**Totals**
Revenues:												
Intergovernmental	$ 62,229										$ 1,601,065	$ 4,296,023
Other		$ 135,593	$ 6,594	$ 41,055	$ 2,000	$ 30,484	$ 20,000	$ 20,000		$ 725		1,499,608
	62,229	135,593	6,594	41,055	2,000	30,484	20,000	20,000		725	1,601,065	5,795,631
Expenditures:												
Expenses	58,921	135,260	3,778	10,097	1,331		8,000		2,211		1,513,514	5,682,942
	58,921	135,260	3,778	10,097	1,331		8,000		2,211		1,513,514	5,682,942
Excess (deficiency) of revenues over (under) expenditures	3,308	333	2,816	30,958	669	30,484	12,000	20,000	(2,211)	725	87,551	112,689
Other financing sources (uses):												
Transfers in												12,000
Transfers out												(48,289)
												(36,289)
Net change in fund balances	3,308	333	2,816	30,958	669	30,484	12,000	20,000	(2,211)	725	87,551	76,400
Fund balances (deficit), beginning of year	19,944	(917)	154	34,787	1,000				$ 2,211		322,190	1,296,073
Fund balances (deficit), end of year	**$ 23,252**	**$ (584)**	**$ 2,970**	**$ 65,745**	**$ 1,669**	**$ 30,484**	**$ 12,000**	**$ 20,000**	**$ -**	**$ 725**	**$ 409,741**	**$ 1,372,473**

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, 2014

	2051 COPS Hiring Recovery	2053 Seized Assets	2056 Justice Assistance Grant	2064 Homeland Security	2069 2009 Byrne JAG Grant	2070 JAG Recovery Grant	2075 Home Fire Sprinkler Coalition	2076 2010 JAG Recovery Grant	2077 2011 JAG Program	2078 2012 JAG Program	2103 Safety Enhancement Grant	2105 Firearms Range	2106 SPD Training	2111 Smoke Detector Program	**Totals**
Revenues:															
Intergoverı	$ 35,007	$ 1,651					$ 1,500	$ 6,265	$ 9,710	$ 2,600					$ 56,733
Other												$ 3,574			3,574
Total revenues	35,007	1,651					1,500	6,265	9,710	2,600		3,574			60,307
Expenditures:															
Expenses						$ 448		3,972	5,347	4,050				$ 2,064	15,881
Total expenditures						448		3,972	5,347	4,050				2,064	15,881
Excess (deficiency) of revenues over (under) expenditures	35,007	1,651				(448)	1,500	2,293	4,363	(1,450)		3,574		(2,064)	44,426
Other financing sources (uses):															
Transfers in															
Bond Proceeds															
Transfers out	(35,007)		$ (10)		$ (4)				(5,490)						(40,511)
Total other financing sources (uses)	(35,007)		(10)		(4)				(5,490)						(40,511)
Net change in fund balances		1,651	(10)		(4)	(448)	1,500	2,293	(1,127)	(1,450)		3,574		(2,064)	3,915
Fund balances (deficit), beginning of year		13,620	10	$ 5,467	4	448		(2,293)	(771)			3,462	$ 485	5,000	25,432
Fund balances (deficit), end of year	**$ -**	**$ 15,271**		**$ 5,467**	**$ -**	**$ -**	**$ 1,500**	**$ -**	**$ (1,898)**	**$ (1,450)**	**$ -**	**$ 7,036**	**$ 485**	**$ 2,936**	**$ 29,347**

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, 2014

	2067 Brownfields Subgrant	2098 FEMA 1920 Disaster Recovery	2108 Brownfileds Assessment	2109 Brownfields Mill Clean up	2110 Brownfields CGA Clean up	2120 Brownfield RLF	2117 FEMA 4108 Disaster Recovery	**Totals**
Revenues:								
Intergoverı	$ 298,393		$ 81,277	$ 750	$ 750	$ 77,500	$ 4,776	$ 463,446
Other								
Total revenues	298,393		81,277	750	750	77,500	4,776	463,446
Expenditures:								
Expenses	503,067		81,278			77,500	2,000	663,845
Total expenditures	503,067		81,278			77,500	2,000	663,845
Excess (deficiency) of revenues over (under) expenditures	(204,674)		(1)	750	750		2,776	(200,399)
Other financing sources (uses):								
Transfers in	76,200							76,200
Bond Proceeds	181,000							181,000
Transfers out								
Total other financing sources (uses)	257,200							257,200
Net change in fund balances	52,526		(1)	750	750		2,776	56,801
Fund balances (deficit), beginning of year	(52,526)	$ 90,436	2	-	-	-	40,381	78,293
Fund balances (deficit), end of year	**$ -**	**$ 90,436**	**$ 1**	**$ 750**	**$ 750**	**$ -**	**$ 43,157**	**$ 135,094**

City of Sanford, Maine
Nonmajor Capital Project Fund
Balance Sheet
June 30, 2014

	4000 Number One Pond	4003 Job Bond Local Road Assistance	4005 Urban Forestry	4008 Goodall Statue	4011 Department of Conservation	4016 Infrastructure Grant	4025 EDA Regional Airport	4039 CGA Clean Up	4040 Mid Town Mall	4043 Safe Routes to School Project	4044 Project Canopy	4045 Goodall Brook Watershed	4047 High School Interim Financing	4048 Wildlife Hazard Assessment	4049 Rehabilitate Seacoast Taxi Lanes 2013	4051 Rehabilitate Seacoast Taxi Lanes 2014	Totals
ASSETS																	
Cash and cash equivalents	$ 200	$ 752	$ 5,590	$ 1,550	$ 1,121		$ 14,126	$ 12,699	$ 83,235		$ 6,336	$ 450	$ 9,046				$ 135,105
Total assets	**$ 200**	**$ 752**	**$ 5,590**	**$ 1,550**	**$ 1,121**	**$ -**	**$ 14,126**	**$ 12,699**	**$ 83,235**	**$ -**	**$ 6,336**	**$ 450**	**$ 9,046**	**$ -**	**$ -**	**$ -**	**$ 135,105**
LIABILITIES AND FUND BALANCE																	
Liabilities:																	
Deficit Cash										$ 372				$ 2,167	$ 9,680	$ 12	$ 12,231
Interfund loans payable									$ 83,235								83,235
Total liabilities									83,235	372				2,167	9,680	12	95,466
Fund balance (deficit):																	
Restricted					$ 1,121		$ 14,126				$ 6,336	$ 450	$ 9,046				31,079
Committed	$ 200	$ 752	$ 5,590	$ 1,550				$ 12,699									20,791
Unassigned										(372)				$ (2,167)	(9,680)	(12)	(12,231)
Total fund balance (deficit)	200	752	5,590	1,550	1,121		14,126	12,699		(372)	6,336	450	9,046	(2,167)	(9,680)	(12)	39,639
Total liabilities and fund balance	**$ 200**	**$ 752**	**$ 5,590**	**$ 1,550**	**$ 1,121**	**$ -**	**$ 14,126**	**$ 12,699**	**$ 83,235**	**$ -**	**$ 6,336**	**$ 450**	**$ 9,046**	**$ -**	**$ -**	**$ -**	**$ 135,105**

City of Sanford, Maine
Nonmajor Capital Project Funds
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2014

	4000 Number One Pond	4003 Job Bond Local Road Assistance	4005 Urban Forestry	4008 Goodall Statue	4011 Department of Conservation	4016 Infrastructure Grant	4025 EDA Regional Airport	4030 Land/Salt Airport Road	4031 Compact Thimp Police	4035 Airport Improvement Program
Revenues:										
Intergovernmental										
Total revenues										
Expenditures:										
Capital Improvements							$ 8,663	$ 693	$ 1,466	$ 9,377
Total expenditures							8,663	693	1,466	9,377
Excess (deficiency) of revenues over (under) expenditures							(8,663)	(693)	(1,466)	(9,377)
Other financing sources (uses):										
Transfers in										
Transfers out						$ (2,251)		(61)	(27,239)	
Proceeds of general obligation bonds										
Total other financing sources (uses)						(2,251)		(61)	(27,239)	
Net change in fund balances						(2,251)	(8,663)	(754)	(28,705)	(9,377)
Fund balances (deficit), beginning of year	$ 200	$ 752	$ 5,590	$ 1,550	$ 1,121	2,251	22,789	754	28,705	9,377
Fund balances (deficit), end of year	**$ 200**	**$ 752**	**$ 5,590**	**$ 1,550**	**$ 1,121**	**$ -**	**$ 14,126**	**$ -**	**$ -**	**$ -**

City of Sanford, Maine
Nonmajor Capital Project Funds
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2014

	4039 CGA Clean Up	4043 Safe Routes to School Project	4044 Project Canopy	4045 Goodall Brook Watershed	4047 High School Interim Financing	4048 Wildlife Hazard Assessment	4049 Rehabilitate Seacoast Taxi Lanes 2013	4051 Rehabilitate Seacoast Taxi Lanes 2014	**Totals**
Revenues:									
Intergovernmental		$ 1,250		$ 25,757		$ 19,724	$ 39,223		$ 85,954
Total revenues		1,250		25,757		19,724	39,223		85,954
Expenditures:									
Capital Improvements		1,622		25,307	$ 570,337	21,891	48,903	$ 12	688,271
Total expenditures		1,622		25,307	570,337	21,891	48,903	12	688,271
Excess (deficiency) of revenues over (under) expenditures		(372)		450	(570,337)	(2,167)	(9,680)	(12)	(602,317)
Other financing sources (uses):									
Transfers in									
Transfers out									(29,551)
Proceeds of general obligation bonds					630,000				630,000
Total other financing sources (uses)					630,000				600,449
Net change in fund balances		(372)		450	59,663	(2,167)	(9,680)	(12)	(1,868)
Fund balances (deficit), beginning of year	$ 12,699		$ 6,336		(50,617)				41,507
Fund balances (deficit), end of year	**$ 12,699**	**$ (372)**	**$ 6,336**	**$ 450**	**$ 9,046**	**$ (2,167)**	**$ (9,680)**	**$ (12)**	**$ 39,639**

City of Sanford, Maine
Nonmajor Permanent Funds
Combining Balance Sheet
June 30, 2014

	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	$ 58,613	$ 15,790	$ 43,496	$ 29,477	$ 24,383	$ 183,387	$ 355,146
Investments			362,394		388,501		750,895
Land (held for investment)					109,500		109,500
Total assets	**$ 58,613**	**$ 15,790**	**$ 405,890**	**$ 29,477**	**$ 522,384**	**$ 183,387**	**$ 1,215,541**
LIABILITIES AND FUND BALANCES							
Liabilities:							
Interfund loans payable	$ 32,245		$ 7,300		$ 7,003	$ 165,984	$ 212,532
Total liabilities	32,245		7,300		7,003	165,984	212,532
Fund balances:							
Nonspendable Principal		$ 6,000					6,000
Nonspendable Land					109,500		109,500
Restricted Expendable Income	26,368	9,790	398,590	$ 29,477	405,881	17,403	887,509
Total fund balances	26,368	15,790	398,590	29,477	515,381	17,403	1,003,009
Total liabilities and fund balances	**$ 58,613**	**$ 15,790**	**$ 405,890**	**$ 29,477**	**$ 522,384**	**$ 183,387**	**$ 1,215,541**

City of Sanford, Maine
Nonmajor Permanent Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2014

	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	$ 41	$ 14	$ 6,852	$ 59	$ 46,567		$ 53,533
Donations	9,946		4,950		320	$ 30,990	46,206
Total revenues	9,987	14	11,802	59	46,887	30,990	99,739
Expenditures:							
Earnings retained by General Fund							
Public services	20,595				6,411	126,317	153,323
Total expenditures	20,595				6,411	126,317	153,323
Net change in fund balances	(10,608)	14	11,802	59	40,476	(95,327)	(53,584)
Fund balances, beginning of year	36,976	15,776	386,788	29,418	474,905	112,730	1,056,593
Fund balances, end of year	**$ 26,368**	**$ 15,790**	**$ 398,590**	**$ 29,477**	**$ 515,381**	**$ 17,403**	**$ 1,003,009**

City of Sanford, Maine
Private-Purpose Trust Funds
Combining Statement of Fiduciary Net Position
June 30, 2014

	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	Totals
ASSETS							
Cash and cash equivalents	$ 1,280	$ 13,752	$ 20,000	$ 8,470	$ 148,857	$ 6,961	$ 199,320
Investments					792,388		792,388
Total assets	**$ 1,280**	**$ 13,752**	**$ 20,000**	**$ 8,470**	**$ 941,245**	**$ 6,961**	**$ 991,708**
LIABILITIES AND NET ASSETS							
Liabilities:							
Interfund loans							
Total liabilities							
Net position:							
Nonspendable principal	$ 399						$ 399
Unexpended income	881	$ 13,752	$ 20,000	$ 8,470	$ 941,245	$ 6,961	991,309
Total position assets	1,280	13,752	20,000	8,470	941,245	6,961	991,708
Total liabilities and net position	**$ 1,280**	**$ 13,752**	**$ 20,000**	**$ 8,470**	**$ 941,245**	**$ 6,961**	**$ 991,708**

City of Sanford, Maine
Private-purpose Trust Funds
Combining Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2014

	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	Totals
Additions							
Donations, interest and dividends		$ 3		$ 17	$ 116,955	$ 7	$ 116,982
Total additions		3		17	116,955	7	116,982
Deductions:							
School scholarships					15,339		15,339
Capital outlay							
Total deductions					15,339		15,339
Changes in net assets		3		17	101,616	7	101,643
Net position, beginning of year	$ 1,280	13,749	20,000	8,453	839,629	6,954	890,065
Net position, end of year	**$ 1,280**	**$ 13,752**	**$ 20,000**	**$ 8,470**	**$ 941,245**	**$ 6,961**	**$ 991,708**

City of Sanford, Maine
Agency Funds
Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2014

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
STUDENT ACTIVITIES:				
ASSETS				
Cash	$ 465,533	$ 561,429	$ 604,168	$ 422,794
LIABILITIES				
Due to student groups	$ 465,533	$ 561,429	$ 604,168	$ 422,794