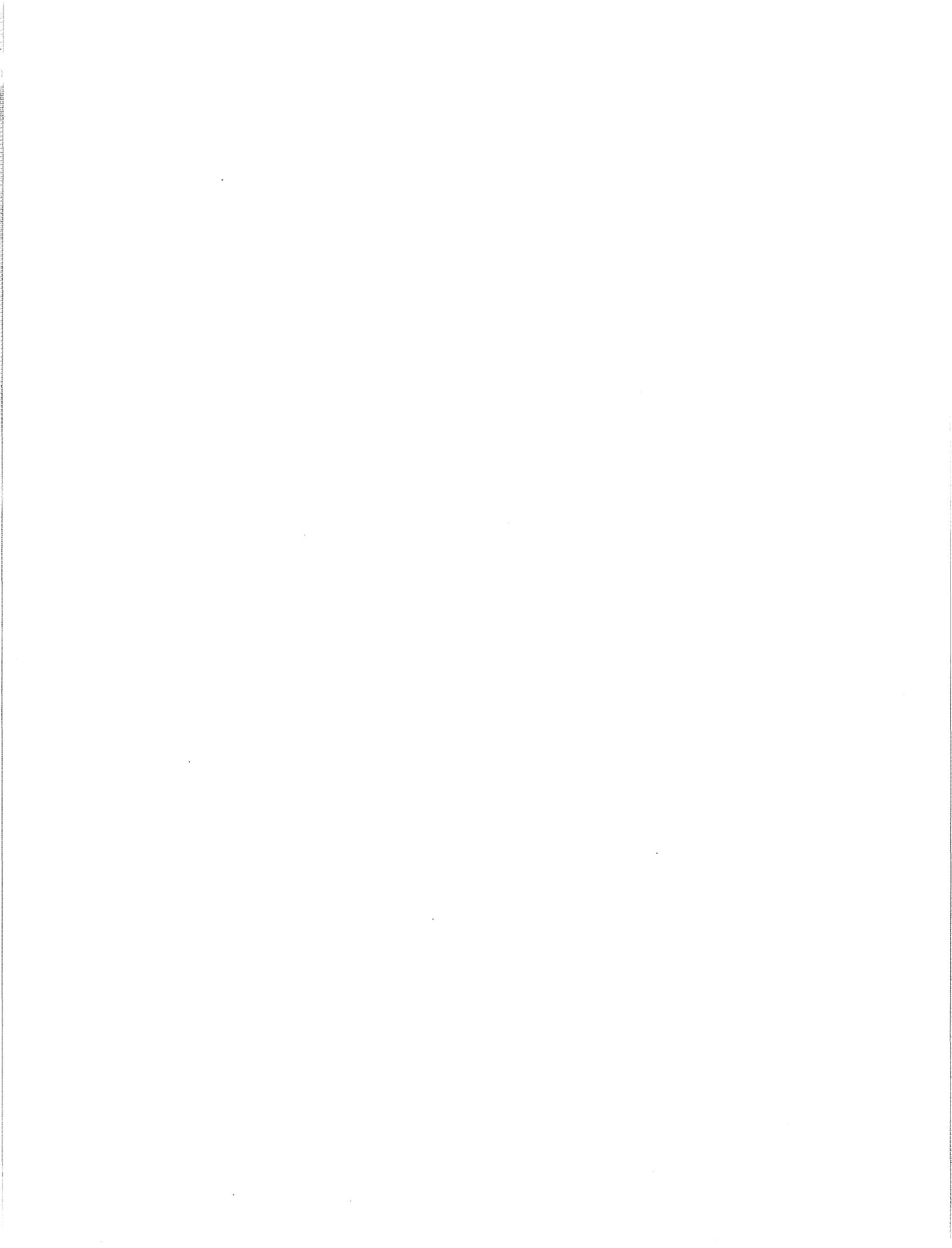


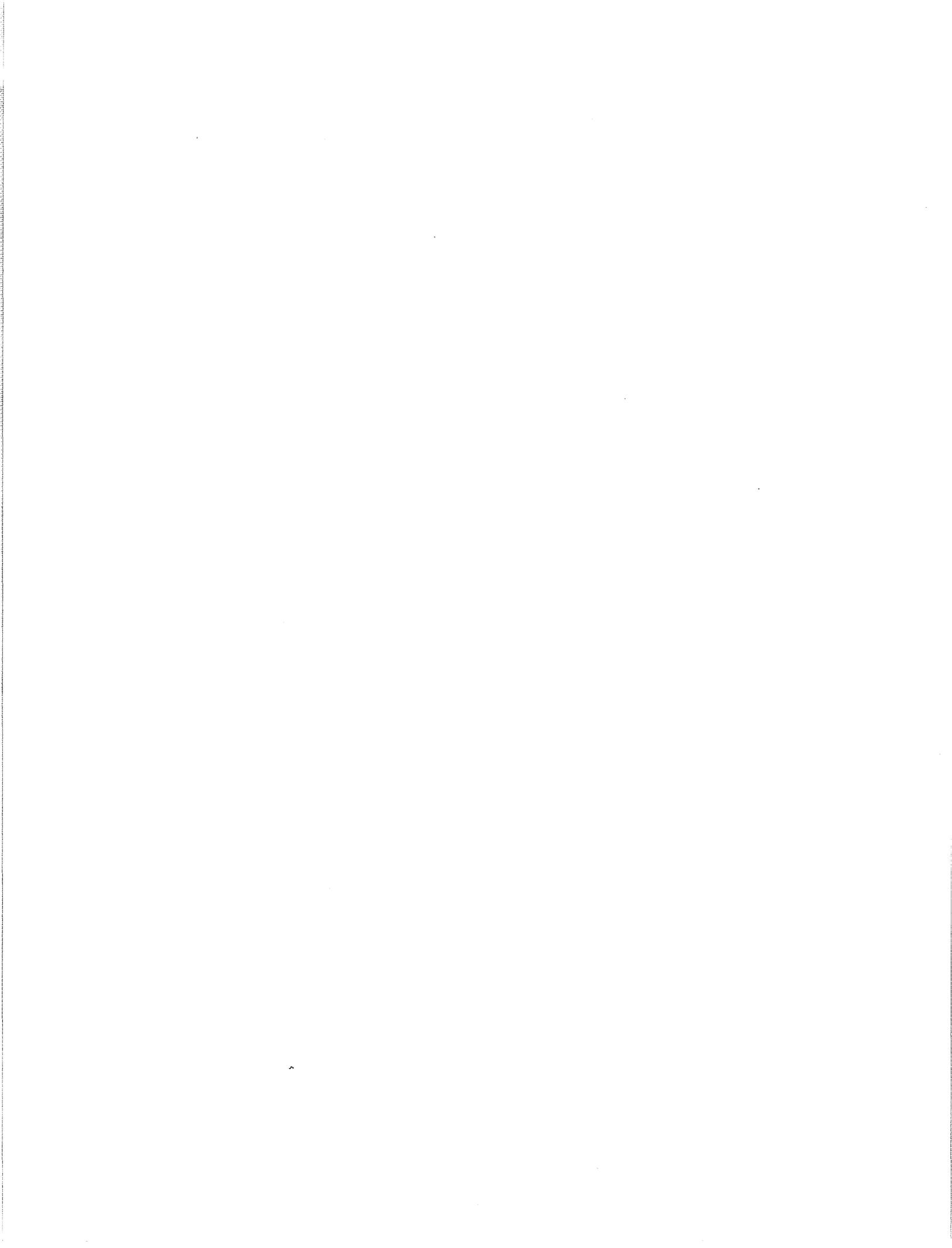
CITY OF SANFORD, MAINE
Annual Financial Report
For The Year Ended June 30, 2013



CITY OF SANFORD, MAINE
Annual Financial Report
For the Year Ended June 30, 2013

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Independent Auditor's Report

City Council
City of Sanford, Maine

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Sanford, Maine as of and for the year ended June 30, 2013, 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 of material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Sanford, Maine as of June 30, 2013, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and Schedule of Funding Progress for the Retiree Healthcare Plan as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the 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 by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2014 on our consideration of the City of Sanford, Maine's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing or internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Sanford, Maine's internal control over financial reporting and compliance.



March 20, 2014
South Portland, Maine

CITY OF SANFORD, MAINE
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2013

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, 2013. This is the City's ninth 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 17-33, 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 \$57,387,498. The governmental activities statement showed a decrease of net position of \$4,470,213 for the fiscal year.
- The ending fund balance for all governmental funds combined was \$12,192,657.
- The ending fund balance for the general fund was \$8,857,926, an increase of \$302,375 over last year. The City, excluding the School, has an unrestricted balance of \$9,736,737 of which \$1,635,805 is committed to ongoing capital projects and \$757,649 is assigned for the subsequent year budget and other purposes. This leaves an unassigned balance of \$7,343,283, which is an adequate surplus. The School Department had an unassigned deficit of \$878,811. After adding back \$3,736,229 for the accrual for teacher summer salaries, which is not accrued on a budgetary basis, the School Department would have a positive fund balance of \$2,857,418.

Overview of the Financial Statement

This discussion and analysis is intended to serve as an introduction to the City of Sanford'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's finances. Financial information is presented in two statements –*Statement of Net Position* and *Statement of Activities*.

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.

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

The government-wide financial statements can be found on pages 11 and 12.

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 expenditures and revenues are recorded and the cumulative leftover balance of these activities, which is available for spending in subsequent years, is reported here. These funds are reported using an accounting method called *modified accrual*, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information can help to determine what financial resources are available in the near future to finance the City's activities. The governmental funds financial statements can be found on pages 13 and 14.

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 17 and 18.

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 19-38.

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 51-71.

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.

	<u>Governmental Activities</u>	
	<u>2013</u>	<u>2012</u>
Current & Other Assets	\$ 19,081,236	\$ 19,657,264
Capital Assets, net	57,468,309	61,157,336
Total Assets	76,549,545	80,814,600
Long-term Liabilities	11,039,180	13,591,547
Other Liabilities	8,122,867	5,805,335
Total Liabilities	19,162,047	19,396,882
Net Position:		
Net Investment in Capital Assets	47,209,688	50,526,786
Restricted	3,925,180	4,074,847
Unrestricted	6,252,630	6,816,085
Total Net Position	\$ 57,387,498	\$ 61,417,718

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

The City of Sanford's net position decreased \$4,470,213 during the fiscal year. Net program expenses for total primary government totaled \$77,353,756 to which \$39,210,069 of total program revenues are applied for a net decrease of \$38,143,687. (See statement 2, page 12 for a detail breakdown by program unit). This net decrease is offset by general revenues of \$33,673,474, which resulted in a decrease in net position.

Financial Analysis of the Government's Funds

The City of Sanford 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 Statement 4, page 14.

Governmental funds - The focus of the City of Sanford governmental funds is to provide information on fiscal activity and balances of available resources. Each year the result of the expenditures 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 of Sanford's governmental funds reported a combined ending fund balance of \$12,192,657.

The General Fund balance is \$8,857,926, which is an increase of \$302,375 over fiscal 2012. After accrued teacher summer salaries are reversed, the balance is \$12,594,155. Of this balance, \$1,635,805 is committed for a number of carry forward projects unfinished at year-end and an additional \$757,649 is assigned toward the subsequent year budget. The unassigned balance is \$6,425,653. For detail comparing budget to actual expense see Statement 6 on page 16.

Although the City had positive budget variances in expenditures totaling \$2,525,503 (Statement 6), the City budgeted to utilize fund balance toward the capital plan or to offset the 2013 commitment, resulting in an increase in the General Fund balance of \$302,375 from the prior year after adjusting for the teacher summer salary accrual. The ending fund balance at June 30, 2013 is considered well within a healthy range.

Other Governmental Funds balance of \$3,334,731 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 net investment in capital assets for its governmental-type activities totaled \$57,468,309 as of June 30, 2013. 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 27 in the Notes to the Financial Statements.

Major capital assets approved this fiscal year included the following:

- | | |
|-----------------------------------|-----------------------------|
| Police Vehicles | Streets Urban/Roads Rural |
| Radars | Municipal Highway Garage |
| Bullet-Proof Vests | Public Works Equipment |
| Engine 1 Replacement | Computers |
| Replacement of Forestry 2 | MDT's |
| Reserve Ladder Truck | Server Virtualization Lease |
| Thermal Imaging Camera | |
| Blouin Field Improvements | |
| Dams | |
| Trails Construction | |
| Veterans Field | |
| Energy Improvements | |
| Cemetery Improvements | |
| Park Department Vehicle/Equipment | |

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

Long -term Debt

The City of Sanford's long-term liabilities at fiscal year end totals \$14,010,939. The long-term liability activity was as follows: bonds and notes payable \$10,089,777, capital leases \$559,403, compensated absences \$2,115,979, other postemployment benefits \$855,780 and landfill post closure care costs \$390,000. \$1,487,767 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 29.

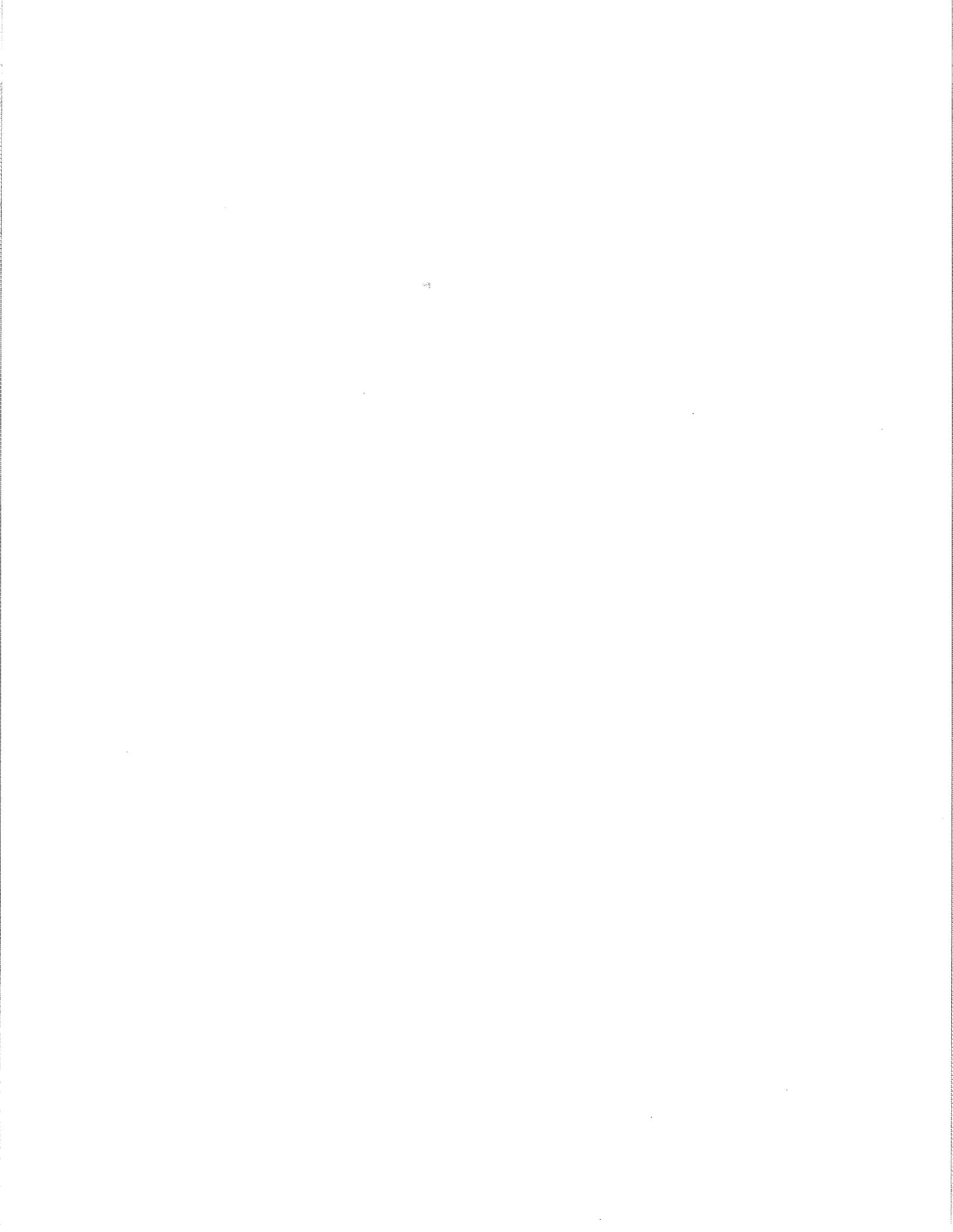
State statutes limit the amount of general obligation debt a municipality may issue to 15 percent of the total State's assessed valuation of the City \$1,412,000,000. The current debt limitation for the City of Sanford is \$211,800,000 and Sanford's total debt is well under this limit.

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 1.80 mils to 19.32.

Request for Information

This financial report is designed to provide a general overview of the City of Sanford'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.

BASIC FINANCIAL STATEMENTS



CITY OF SANFORD, MAINE
Statement of Net Position
June 30, 2013

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 14,557,817
Investments	911,297
Receivables:	
Taxes and liens - current year	1,141,868
Taxes - prior years	434,697
Tax liens - prior years	546,948
Accounts, net of allowance	1,357,244
Inventories	21,865
Land (held for investment)	109,500
Capital assets, not being depreciated	3,707,533
Capital assets, net of accumulated depreciation	53,760,776
Total assets	76,549,545
LIABILITIES	
Accounts payable and other current liabilities	1,121,237
Accrued payroll	3,974,542
Accrued interest	55,329
Compensated absences payable	2,115,979
Other post employment benefits	855,780
Noncurrent liabilities:	
Due within one year	1,421,976
Due in more than one year	9,617,204
Total liabilities	19,162,047
NET POSITION	
Net investment in capital assets	47,209,688
Restricted for:	
Nonexpendable trust principal	455,804
Permanent funds	1,050,592
Grants and other purposes	2,418,784
Unrestricted	6,252,630
Total net position	\$ 57,387,498

See accompanying notes to financial statements.

CITY OF SANFORD, MAINE
Statement of Activities
For the year ended June 30, 2013

Functions/programs	Expenses	Program Revenues			Net (expense) revenue and changes in net position
		Charges for services	Operating grants and contributions	Capital grants and contributions	Governmental activities
General government	\$ 11,317,376	343,504	5,160,579	-	(5,813,293)
Public services	2,543,245	248,207	78,971	-	(2,216,067)
Public safety	8,169,023	2,205,269	73,801	-	(5,889,953)
Public works	7,547,426	112,066	405,578	-	(7,029,782)
Education	44,469,540	418,949	30,079,045	-	(13,971,546)
County tax	1,182,077	-	-	-	(1,182,077)
Interest on debt	331,710	-	-	-	(331,710)
Capital expenses	1,166,124	-	-	84,100	(1,082,024)
Other	627,235	-	-	-	(627,235)
Total governmental activities	\$ 77,353,756	3,327,995	35,797,974	84,100	(38,143,687)

General revenues:

Property taxes, levied for general purposes	27,566,440
Payments in lieu of taxes	27,064
Interest and penalties on taxes	105,433
Excise taxes	2,684,449
Franchise fees	200,756
Grants and contributions not restricted to specific programs:	
Homestead and BETE exemption	578,573
Other State aid	365,097
State Revenue Sharing	1,848,258
Donations and contributions	41,532
Unrestricted investment earnings	162,215
Miscellaneous revenues	175,334
Loss on disposal of assets	(81,677)
Total general revenues	33,673,474
Change in net position	(4,470,213)
Net position - beginning, restated	61,857,711
Net position - ending	\$ 57,387,498

See accompanying notes to financial statements.

CITY OF SANFORD, MAINE
Balance Sheet
Governmental Funds
June 30, 2013

	General Fund	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 11,402,246	3,155,571	14,557,817
Investments	-	911,297	911,297
Receivables:			
Taxes receivable - current	1,141,868	-	1,141,868
Taxes receivable - prior years	434,697	-	434,697
Tax liens receivable	546,948	-	546,948
Accounts, net of allowance	1,135,538	221,706	1,357,244
Inventory	-	21,865	21,865
Land (held for investment)	-	109,500	109,500
Interfund loans receivable	915,782	-	915,782
Total assets	\$ 15,577,079	4,419,939	19,997,018
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts payable and payroll withholdings	986,668	134,569	1,121,237
Accrued payroll	3,939,685	34,857	3,974,542
Accrued compensated absences - retiree payouts	65,791	-	65,791
Interfund loans payable	-	915,782	915,782
Total liabilities	4,992,144	1,085,208	6,077,352
Deferred inflows of resources:			
Unavailable revenue - property taxes	1,727,009	-	1,727,009
Total deferred inflows of resources	1,727,009	-	1,727,009
Fund balances:			
Nonspendable	-	587,169	587,169
Restricted	38,819	3,299,192	3,338,011
Committed	1,635,805	50,250	1,686,055
Assigned	757,649	-	757,649
Unassigned	6,425,653	(601,880)	5,823,773
Total fund balances	8,857,926	3,334,731	12,192,657
Total liabilities, deferred inflows of resources and fund balances	\$ 15,577,079	4,419,939	
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.			57,468,309
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable in the funds.			1,727,009
Long-term liabilities are not due and payable in the current period and therefore, are not reported in the funds.			
Bonds and notes payable			(10,089,777)
Capital leases			(559,403)
Other post employment benefits			(855,780)
Accrued interest			(55,329)
Landfill liability			(390,000)
Compensated absences			(2,050,188)
Net position of governmental activities			\$ 57,387,498

See accompanying notes to financial statements.

CITY OF SANFORD, MAINE
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2013

	General Fund	Other Governmental Funds	Total Governmental Funds
Revenues:			
Taxes	\$ 29,715,113	605,067	30,320,180
Licenses, permits and fees	2,764,501	-	2,764,501
Intergovernmental	27,940,361	9,632,616	37,572,977
Charges for services	131,223	418,949	550,172
Investment income	82,140	80,075	162,215
Donations and contributions	-	41,532	41,532
Other	280,722	1,236,779	1,517,501
Total revenues	60,914,060	12,015,018	72,929,078
Expenditures:			
Current:			
General government	5,608,377	5,498,176	11,106,553
Public services	1,813,725	154,224	1,967,949
Public safety	8,016,472	75,298	8,091,770
Public works	3,573,967	398,976	3,972,943
Education	37,279,421	6,483,816	43,763,237
County tax	791,518	-	791,518
Other	627,235	-	627,235
Debt service	1,138,193	-	1,138,193
Capital expenditures	2,413,446	179,126	2,592,572
Total expenditures	61,262,354	12,789,616	74,051,970
Deficiency of revenues under expenditures	(348,294)	(774,598)	(1,122,892)
Other financing sources:			
Proceeds from capital leases	650,669	-	650,669
Total other financing sources	650,669	-	650,669
Net change in fund balances	302,375	(774,598)	(472,223)
Fund balances, beginning of year, restated	8,555,551	4,109,329	12,664,880
Fund balances, end of year	\$ 8,857,926	3,334,731	12,192,657

See accompanying notes to 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, 2013

Net change in fund balances - total governmental funds (from Statement 4)	\$	(472,223)
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Amounts reported for governmental activities in the statement of activities (Statement 2) are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense (\$5,333,798) and the net book value of disposed capital assets (\$81,677) exceeded capital outlays (\$1,726,448).		(3,689,027)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		36,142
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This is the increase in other post employment benefits (\$167,055) and long-term compensated absences (\$202,916), and the decrease in accrued interest (\$8,496) and postclosure care costs (\$35,000).		(326,475)
--	--	-----------

Capital lease proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount by which proceeds (\$650,669) exceeded principal payments (\$176,945).		(473,724)
--	--	-----------

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount by which the repayments (\$1,145,653) exceeded the proceeds (\$690,559).		455,094
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Change in net position of governmental activities (see Statement 2)	\$	(4,470,213)
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See accompanying notes to 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, 2013

	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Taxes	\$ 29,553,196	29,553,196	29,715,113	161,917
Licenses, permits and fees	2,568,711	2,568,711	2,764,501	195,790
Intergovernmental	24,697,917	24,697,917	24,408,044	(289,873)
Investment income	50,000	50,000	82,140	32,140
Other	188,807	188,807	259,018	70,211
Total revenues	57,058,631	57,058,631	57,228,816	170,185
Expenditures:				
Current:				
General government	5,350,660	5,350,660	5,608,377	(257,717)
Public services	1,781,422	1,781,422	1,731,641	49,781
Public safety	8,100,918	8,100,918	8,016,472	84,446
Public works	3,814,946	3,814,946	3,573,967	240,979
County tax	791,518	791,518	791,518	-
Education	34,438,824	34,438,824	33,747,104	691,720
Other	707,722	707,722	627,235	80,487
Capital expenditures	1,784,426	3,398,582	1,762,777	1,635,805
Debt service	1,138,195	1,138,195	1,138,193	2
Total expenditures	57,908,631	59,522,787	56,997,284	2,525,503
Excess (deficiency) of revenues over (under) expenditures	(850,000)	(2,464,156)	231,532	2,695,688
Other financing sources:				
Use of designated fund balance	-	1,614,156	-	(1,614,156)
Budgeted use of fund balance - City	650,000	650,000	-	(650,000)
Budgeted use of fund balance - Education	200,000	200,000	-	(200,000)
Total other financing sources	850,000	2,464,156	-	(2,464,156)
Net change in fund balance - budgetary basis	-	-	231,532	231,532
Reconciliation to GAAP basis:				
Change in general fund assigned funds			70,843	
Net change in fund balance - GAAP basis			302,375	
Fund balance, beginning of year, restated			8,555,551	
Fund balance, end of year	\$		8,857,926	

See accompanying notes to financial statements.

CITY OF SANFORD, MAINE
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2013

	Private-purpose	
	Trust Funds	Agency Funds
ASSETS		
Cash and cash equivalents	\$ 104,667	465,533
Investments	785,398	-
Total assets	890,065	465,533
LIABILITIES		
Held on behalf of student groups	-	465,533
Total liabilities	-	465,533
NET POSITION		
Held in trust	\$ 890,065	-

See accompanying notes to financial statements.

CITY OF SANFORD, MAINE
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the year ended June 30, 2013

		Private-purpose Trust Funds
Additions:		
Investment income	\$	72,580
Donations		9,841
Total additions		82,421
Deductions:		
Scholarships/other		23,168
Total deductions		23,168
Change in net position		59,253
Net position, beginning of year		830,812
Net position, end of year	\$	890,065

See accompanying notes to financial statements.

CITY OF SANFORD, MAINE
Notes to Financial Statements

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting methods and procedures of the City of Sanford, Maine conform to generally accepted accounting principles (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 principles. The more significant of the City's accounting policies are described below.

A. Reporting Entity

In evaluating how to define the reporting entity, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit was made by applying the criteria set forth in accounting principles generally accepted in the United States of America which defines the reporting entity as the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government. Application of this criterion and determination of type of presentation involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. It is the City's judgment, based on all pertinent facts derived from the analysis of these criteria, that there are no entities that would be considered potential component units within the City of Sanford, Maine that should be included as part of these financial statements.

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.

B. 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 are 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.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

C. 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.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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

1. 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.

2. Receivables and Payables

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

3. 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.

4. 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.

5. 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.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

6. 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.

7. 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.

8. 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.

CITY OF SANFORD, MAINE
Notes to Financial Statements, Continued

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, 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.

9. 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.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. 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 are not budgeted. A reconciliation of amounts determined under accounting principles generally accepted in the United States of America to those presented on a budgetary basis is included on Statement 6. 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.

B. Excess of Expenditures over Appropriations

For the year ended June 30, 2013, expenditures exceeded appropriations in the following categories:

City Council	\$ 1,935	Charter commission	1,161
Voter registration	5,885	Legal services	32,741
Administration	7,719	Employee benefits	154,201
Personnel	86	Parks	1,581
Information systems	2,649	Police - other	13,492
Treasurer/City clerk	17,220	Fire department	1,171
General assistance	99,157	Other	500

These over expenditures lapsed to fund balance.

C. Deficit Fund Balances

At June 30, 2013, the following funds had deficit fund balances over \$10,000:

Montreal Street	\$ 16,223	IDEA Grant - Local Entitlement	315,336
Bodwell Street	25,641	Title V – Innovative	83,949
Building Assets Reducing Risk	18,217	Brownfields subgrant	52,526
Title IA	33,827	High School Interim Financing	50,617
Other school special revenues	13,941	Extended Secondary Counseling	19,487

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

CITY OF SANFORD, MAINE
Notes to Financial Statements, Continued

III. DETAILED NOTES ON ALL FUNDS

A. 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, 2013, none of the City's bank balance of \$14,564,830 was exposed to custodial credit risk because it was 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 \$344,158 investment in money market and repurchase/sweep agreements was 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. These are treated as cash equivalents for financial statement purposes.

At June 30, 2013, the City had the following investments and maturities:

	Fair value	Less than 1 year	1-5 years	More than 5 years
Fixed income	\$ 414,740	273,478	82,677	58,585
Mutual funds (1)	172,472		Not applicable	
Equities	1,068,037		Not applicable	
Real estate	16,414		Not applicable	
Tangible assets	25,032		Not applicable	
Total investments	\$ 1,696,695	273,478	82,677	58,585

(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	\$ 911,297
Reported in fiduciary funds	785,398
Total investments	\$ 1,696,695

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.

CITY OF SANFORD, MAINE
Notes to Financial Statements, Continued

III. DETAILED NOTES ON ALL FUNDS, CONTINUED

B. 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 \$682,913, are as follows:

	<u>General fund</u>	<u>Nonmajor funds</u>	<u>Total</u>
Receivables:			
Taxes	\$ 1,576,565	-	1,576,565
Liens	546,948	-	546,948
Accounts	1,818,451	221,706	2,040,157
Allowance	(682,913)	-	(682,913)
	<u>\$ 3,259,051</u>	<u>221,706</u>	<u>3,480,757</u>

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

	<u>Unavailable</u>
<u>Unavailable revenue – property taxes (general fund)</u>	<u>\$ 1,727,009</u>
<u>Total deferred inflows of resources</u>	<u>\$ 1,727,009</u>

C. Property Tax

Property taxes for the current year were committed on August 3, 2012, on the assessed value listed as of the prior April 1 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 98.7% of the estimated State valuation of \$1,412,000,000.

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 \$80,987 for the year ended June 30, 2013.

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

CITY OF SANFORD, MAINE
Notes to Financial Statements, Continued

III. DETAILED NOTES ON ALL FUNDS, CONTINUED

C. Property Tax, Continued

The following summarizes the 2013 levy:

Assessed value	\$	1,394,316,595
Tax rate (per \$1,000)		19.32
Commitment		26,938,197
Supplemental taxes assessed		77
Total levy		26,938,274
Less: Collections		25,796,406
Receivable at end of year	\$	1,141,868

Due date(s)	½ September 17, 2012 ½ March 15, 2013
Interest rate on delinquent taxes	7%
Collection rate	95.8%

D. Interfund Receivables and Payables

Individual interfund loans receivable and payable balances and transfers at June 30, 2013 were as follows:

<u>Fund</u>	<u>Interfund loans receivable</u>	<u>Interfund loans payable</u>
General Fund	\$ 915,782	-
Other Governmental Funds	-	915,782
Totals	\$ 915,782	915,782

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

CITY OF SANFORD, MAINE
Notes to Financial Statements, Continued

III. DETAILED NOTES ON ALL FUNDS, CONTINUED

E. Capital Assets

Capital asset activity for the year ended June 30, 2013 was as follows:

	Balance June 30, <u>2012</u>	<u>Increases</u>	<u>Decreases</u>	Balance June 30, <u>2013</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 3,262,783	430,000	(18,250)	3,674,533
Construction in progress	7,614,198	-	(7,614,198)	-
Artwork	33,000	-	-	33,000
<u>Total capital assets, not being depreciated</u>	<u>10,909,981</u>	<u>430,000</u>	<u>(7,632,448)</u>	<u>3,707,533</u>
Capital assets, being depreciated:				
Land improvements	1,094,995	7,605	-	1,102,600
Buildings and improvements	24,316,887	184,912	(55,345)	24,446,454
Machinery and equipment	8,018,037	212,619	(5,000)	8,225,656
Vehicles	5,317,749	532,605	(103,154)	5,747,200
Library supplies	1,566,315	-	-	1,566,315
Infrastructure	67,519,748	7,991,155	-	75,510,903
<u>Total capital assets being depreciated</u>	<u>107,833,731</u>	<u>8,928,896</u>	<u>(163,499)</u>	<u>116,599,128</u>
Less accumulated depreciation for:				
Land improvements	(435,151)	(29,164)	-	(464,315)
Buildings and improvements	(9,655,971)	(533,084)	-	(10,189,055)
Machinery and equipment	(5,657,333)	(464,226)	1,000	(6,120,559)
Vehicles	(3,201,488)	(364,292)	80,822	(3,484,958)
Library supplies	(1,038,740)	(104,473)	-	(1,143,213)
Infrastructure	(37,597,693)	(3,838,559)	-	(41,436,252)
<u>Total accumulated depreciation</u>	<u>(57,586,376)</u>	<u>(5,333,798)</u>	<u>81,822</u>	<u>(62,838,352)</u>
<u>Total capital assets being depreciated, net</u>	<u>50,247,355</u>	<u>3,595,098</u>	<u>(81,677)</u>	<u>53,760,776</u>
<u>Governmental activities capital assets, net</u>	<u>\$ 61,157,336</u>	<u>4,025,098</u>	<u>(7,714,125)</u>	<u>57,468,309</u>

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

Governmental activities:	
General government	\$ 13,332
Public safety	229,308
Public works, including depreciation of general infrastructure assets	3,669,753
Public services	576,341
Education	845,064
<u>Total depreciation expense</u>	<u>\$ 5,333,798</u>

CITY OF SANFORD, MAINE
Notes to Financial Statements, Continued

III. DETAILED NOTES ON ALL FUNDS, CONTINUED

F. Long-term Debt

Changes in Long-term Liabilities

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

	<u>Beginning balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending balance</u>	<u>Due within one year</u>
Bonds and notes payable	\$ 10,544,871	300,000	(1,145,653)	9,699,218	1,164,553
Note payable – York County	-	390,559	-	390,559	78,112
Capital leases	85,679	650,669	(176,945)	559,403	144,311
Compensated absences	1,847,272	268,707	-	2,115,979	65,791
Other postemployment benefits	688,725	167,055	-	855,780	-
Landfill postclosure care costs	425,000	-	(35,000)	390,000	35,000
<u>Long-term liabilities</u>	<u>\$ 13,591,547</u>	<u>1,776,990</u>	<u>(1,357,598)</u>	<u>14,010,939</u>	<u>1,487,767</u>

Note Payable – York County

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

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, 2013:

Fiscal year <u>ending</u>	
2014	\$ 158,322
2015	158,322
2016	138,322
2017	133,151
2018	7,208
Total minimum lease payments	595,325
<u>Less: amount representing interest</u>	<u>(35,922)</u>
Present value of future	
<u>minimum lease payments</u>	<u>\$ 559,403</u>

CITY OF SANFORD, MAINE
Notes to Financial Statements, Continued

III. DETAILED NOTES ON ALL FUNDS, CONTINUED

F. Long-term Debt, Continued

Bonds and Notes Payable

General obligation bonds and notes are direct obligations and pledge the full faith and credit of the City. These bonds are issued as serial bonds, generally with equal amounts of principal maturing each year. General obligation bonds and notes currently outstanding are as follows:

	<u>Originally issued</u>	<u>Date of issue</u>	<u>Date of maturity</u>	<u>Interest rate</u>	<u>Balance</u>
Bonds and notes payable:					
Nasson College Academic Building Bonds	\$ 131,000	1969	2019	3.00%	23,818
School Paving	600,000	2004	2014	3.019-3.644%	120,000
PW/Fire 2006 Series B Bonds	1,100,000	2006	2016	2.00-5.35%	440,000
School Revolving Loan Fund	1,000,000	2006	2016	0.00%	126,800
Airport Improvement	670,000	2006	2016	1.00-6.00%	191,430
Roundabout/Millyard	3,650,000	2008	2024	2.075-5.575%	2,262,476
School Revolving Loan	248,175	2010	2014	0.00%	32,958
Police Station Part 1	3,210,000	2010	2029	2.00-5.50%	2,875,835
Police Station Part 2	3,000,000	2010	2030	3.436%	2,777,438
School Heating Systems	650,000	2011	2017	0.059-4.30%	520,000
School Renovations	111,894	2012	2016	0.00%	28,463
Promissory Note – Mapes	112,500	2013	2015	0.00%	112,500
Promissory Note – Lincoln Street	187,500	2013	2015	0.00%	187,500
<u>Total bonds and notes payable</u>					<u>\$ 9,699,218</u>

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 1,164,553	317,213	1,481,766
2015	1,002,475	280,345	1,282,820
2016	835,486	257,051	1,092,537
2017	730,414	236,853	967,267
2018	463,208	219,538	682,746
2019-2023	2,447,106	835,516	3,282,622
2024-2028	2,033,330	314,570	2,347,900
2029-2030	1,022,646	42,253	1,064,899
Totals	\$ 9,699,218	2,503,339	12,202,557

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, 2013, the City's outstanding debt did not exceed these limits.

III. DETAILED NOTES ON ALL FUNDS, CONTINUED

F. 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 remediation system. If the DEP determines that the City's remedial action has not caused surface water quality to meet the State's Class B surface water standards, the City and DEP "shall meet to jointly evaluate the technical feasibility of further remediation under this paragraph [paragraph 34 of the Administrative Order], and the Respondent [City] shall perform further remediation as required by 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.

III. DETAILED NOTES ON ALL FUNDS, CONTINUED

F. 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, 2013, 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, 2013, the City's share is 4.87% or \$503,995 of York County's \$10,355,554 long-term debt outstanding as of June 30, 2013.

CITY OF SANFORD, MAINE
Notes to Financial Statements, Continued

III. DETAILED NOTES ON ALL FUNDS, CONTINUED

F. Long-term Debt, Continued

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, 2013 was \$1,539,882.

G. Fund Balances

As of June 30, 2013, 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	-	455,804	455,804
<u>Total nonspendable</u>	<u>-</u>	<u>587,169</u>	<u>587,169</u>
Restricted:			
Adult education	38,819	-	38,819
General government	-	649,820	649,820
Public services	-	33,217	33,217
Education	-	1,473,877	1,473,877
Public safety	-	28,495	28,495
Public works	-	130,819	130,819
Capital projects	-	41,872	41,872
Permanent funds	-	941,092	941,092
<u>Total restricted</u>	<u>38,819</u>	<u>3,299,192</u>	<u>3,338,011</u>
Committed:			
Capital plan	1,635,805	-	1,635,805
Capital projects	-	50,250	50,250
<u>Total committed</u>	<u>1,635,805</u>	<u>50,250</u>	<u>1,686,055</u>
Assigned:			
Subsequent budget	650,000	-	650,000
General government	6,026	-	6,026
Public services	101,473	-	101,473
Public works	150	-	150
<u>Total assigned</u>	<u>757,649</u>	<u>-</u>	<u>757,649</u>
Unassigned	6,425,653	(601,880)	5,823,773
<u>Total fund balance</u>	<u>\$ 8,857,926</u>	<u>3,334,731</u>	<u>12,192,657</u>

CITY OF SANFORD, MAINE
Notes to Financial Statements, Continued

III. DETAILED NOTES ON ALL FUNDS, CONTINUED

H. Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds and capital leases payable and adding back any unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the 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, 2013:

	<u>Governmental activities</u>
Capital assets	\$ 120,306,661
Accumulated depreciation	(62,838,352)
Bonds and notes payable	(10,089,777)
Add back note payable to County	390,559
Capital leases	(559,403)
<u>Net investment in capital assets</u>	<u>\$ 47,209,688</u>

I. 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, 2013:

<u>Fiscal year ending</u>	
2014	\$ 156,698
2015	147,860
2016	136,272
2017	136,076
<u>2018</u>	<u>19,010</u>
<u>Total operating lease payments due</u>	<u>\$ 595,916</u>

IV. OTHER INFORMATION

A. 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, 2013.

B. 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 1-800-451-9800.

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, 2013, 2012 and 2011 were \$519,569, \$226,745, and \$255,734, 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, 2012 (latest available information), the remaining balance was \$0. The City has used credits of \$240,840, \$226,745, and \$255,734 for the years ended June 30, 2013, 2012, and 2011, respectively, to reduce contributions to the plan. Such amounts include amortization of the pension assets, together with interest on the asset balance.

CITY OF SANFORD, MAINE
Notes to Financial Statements, Continued

IV. OTHER INFORMATION

B. Maine Public Employees Retirement System (Maine PERS) - Consolidated Plan, Continued

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 \$3,532,317 (15.86%) for the fiscal year 2013. This amount has been reported as an intergovernmental revenue and education expenditure in the statement of activities (Statement 2) and in statement 4 (GAAP basis). There is no contribution required by the School except for federally funded teachers, for which the School contributed 16.33% of their compensation. This cost is charged to the applicable grant.

C. 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.

IV. OTHER INFORMATION, CONTINUED

D. 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, 2011.

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 OPEB 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 thirty years.

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

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Normal cost	\$ 61,419	64,902	61,419
Amortization of unfunded	114,433	114,433	114,433
Adjustment to ARC	(39,829)	(31,704)	(21,720)
Interest	31,032	21,929	18,506
Annual required contribution	\$ 167,055	169,560	172,638

CITY OF SANFORD, MAINE
Notes to Financial Statements, Continued

IV. OTHER INFORMATION, CONTINUED

D. Other Post Employment Benefits, continued

Net OPEB Obligation – The City’s net OPEB obligation was calculated as follows:

	<u>2013</u>	<u>2012</u>	<u>2011</u>
OPEB liability, July 1,	\$ 688,725	548,220	375,582
Annual required contribution	167,055	169,560	172,638
<u>Less: actual contributions</u>	<u>-</u>	<u>(29,055)</u>	<u>-</u>
OPEB liability, June 30,	\$ 855,780	688,725	548,220

Information provided by the actuary included corrections for the participation assumptions. This change affected prior year calculations which were all corrected in the current 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 years ending June 30 were as follows:

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Annual required contribution	\$ 167,055	169,560	172,638
Actual contribution	-	29,055	-
<u>Percent contributed</u>	<u>0.00%</u>	<u>17.14%</u>	<u>0.00%</u>
Actuarial accrued liability	\$ 2,057,933	2,057,933	2,057,933
<u>Plan assets</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unfunded actuarial accrued liability	\$ 2,057,933	2,057,933	2,057,933
Covered payroll	\$ 9,457,787	9,350,059	9,392,596
Unfunded actuarial accrued liability as a percentage of covered payroll	21.76%	22.00%	21.91%

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:

CITY OF SANFORD, MAINE
Notes to Financial Statements, Continued

IV. OTHER INFORMATION, CONTINUED

D. Other Post Employment Benefits, continued

Actuarial valuation date	1/1/11
Actuarial cost method	Entry age normal
Amortization method	Level dollar
Remaining amortization period	30 years - open

Actuarial assumptions:

Investment rate of return	4.0%
Projected salary increases	N/A
Healthcare cost trend rate	4.0% - 9.6%

E. Prior Period Adjustments

There were several prior period adjustments that affected the net position of the governmental activities and the fund balance of the general fund and permanent fund. They were as follows:

	<u>Governmental Activities</u>	<u>General Fund</u>	<u>Permanent Funds</u>
Balance as of July 1, 2012	\$ 61,417,718	8,084,838	1,491,268
To remove certain payables	497,667	497,667	-
To correct discrepancy between City and School financial accounting systems	(26,954)	(26,954)	-
To remove permanent fund which the City is not the custodian	(30,720)	-	(30,720)
<u>Restated Balance as of July 1, 2012</u>	<u>\$ 61,857,711</u>	<u>8,555,551</u>	<u>1,460,548</u>

F. Subsequent Events

On July 26, 2013, the City entered into an agreement with Sanford Institution for Savings for a loan of \$630,000 to pay for school construction costs to be incurred prior to receiving permanent financing for such costs. This loan is payable in annual installments of \$133,497 for five years at 1.93% per annum.

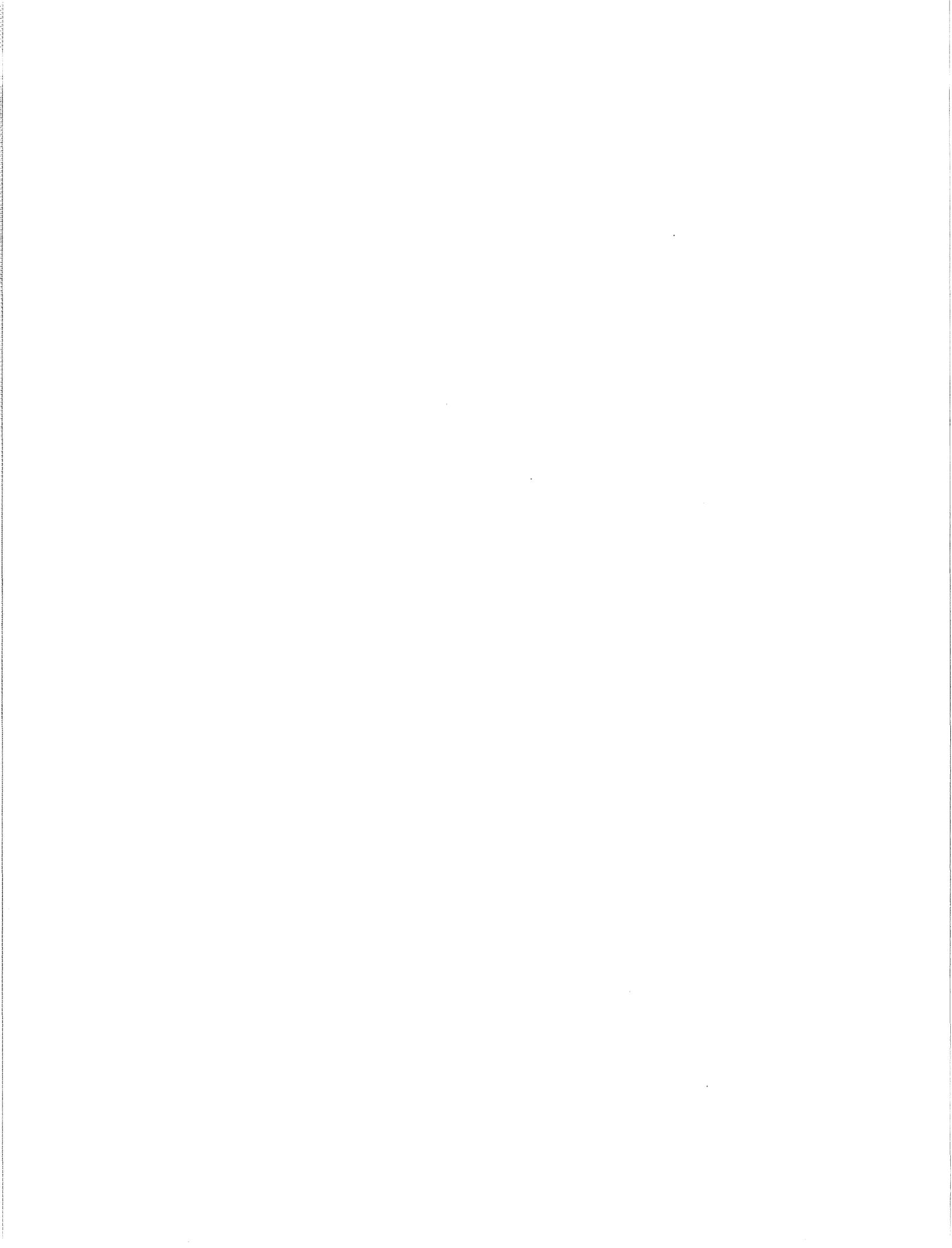
In October of 2013, the City entered into an agreement with Southern Maine Regional Planning Commission, Incorporated for a loan of \$181,000. This loan bears an interest rate of 3% and requires interest only payments for the first 12 months and thereafter payments of principal and interest for the remaining 108 months.

On July 2, 2013, the City entered into a conduit debt agreement with York County Community Action Corporation in which the City borrowed and immediately loaned the proceeds of \$1,449,093 to York County Community Action Corporation. The loan repayments and all associated costs will be paid by York County Community Action Corporation per the debt agreement.

CITY OF SANFORD, MAINE
Required Supplementary Information

Schedule of Funding Progress
Retiree Healthcare Plan

<u>Fiscal Year</u>	<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) – Entry Age (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll [(b-a) /c]</u>
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%



COMBINING AND INDIVIDUAL FUND STATEMENTS

These statements provide a more detailed view of the "basic financial statements" presented in the preceding subsection.

Combining statements are presented when there is more than one fund of a given fund type. Several individual fund statements are presented to provide additional detail and to present budgetary comparison.

GENERAL FUND

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

CITY OF SANFORD, MAINE

Balance Sheet

General Fund

June 30, 2013

ASSETS		
Cash and cash equivalents	\$	11,402,246
Receivables:		
Taxes receivable - current		1,141,868
Taxes receivable - prior years		434,697
Tax liens receivable		546,948
Accounts, net of allowance		1,135,538
Interfund loans receivable		915,782
Total assets	\$	15,577,079
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE		
Liabilities:		
Accounts payable and payroll withholdings		986,668
Accrued payroll		3,939,685
Accrued compensated absences - retiree payouts		65,791
Total liabilities		4,992,144
Deferred inflows of resources:		
Unavailable revenue - property taxes		1,727,009
Total deferred inflows of resources		1,727,009
Fund balance:		
Restricted for adult education		38,819
Committed for capital plan		1,635,805
Assigned for subsequent budget		650,000
Assigned for other purposes		107,649
Unassigned - School Department		(917,630)
Unassigned - City		7,343,283
Total fund balance		8,857,926
Total liabilities, deferred inflows of resources, and fund balances	\$	15,577,079

CITY OF SANFORD, MAINE
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Budgetary Basis)
For the year ended June 30, 2013

	Final budget	Actual	Variance positive (negative)
Revenues:			
Taxes:			
Property taxes	\$ 26,938,196	26,922,559	(15,637)
Supplemental taxes	-	2,672	2,672
Excise taxes	2,505,000	2,684,449	179,449
Interest and penalties	110,000	105,433	(4,567)
Total taxes	29,553,196	29,715,113	161,917
Licenses, permits and fees:			
Registration fees	37,000	36,817	(183)
Building permits and fees	191,500	221,548	30,048
Gun permits	1,000	2,140	1,140
Parking tickets / alarm fees	7,000	6,905	(95)
Court reimbursement	9,000	4,761	(4,239)
Outside jobs	17,000	16,970	(30)
Photocopies	3,500	9,162	5,662
Cable franchise fee	150,000	200,756	50,756
Fire Department fees	500	2,027	1,527
Police	43,796	65,539	21,743
Dispatch	1,278,115	1,278,479	364
Assessing services	10,000	10,075	75
Certified mail	-	679	679
Digging permits	750	270	(480)
Animal control	4,000	10,714	6,714
Cemetery	35,000	23,550	(11,450)
Ambulance fees	575,000	675,503	100,503
Site plans	4,000	3,200	(800)
Subdivisions	1,200	-	(1,200)
Planning fees	350	139	(211)
Recreation fees	45,000	42,260	(2,740)
Waste transfer	95,000	91,393	(3,607)
Lien fees	-	354	354
Other licenses and fees	60,000	61,260	1,260
Total licenses, permits and fees	2,568,711	2,764,501	195,790
Intergovernmental:			
General assistance reimbursement	10,000	16,501	6,501
General assistance	70,000	127,656	57,656
Education	1,372,554	1,331,963	(40,591)
Education subsidy	19,714,244	19,437,633	(276,611)
School resource officer	-	130,394	130,394
Annex	7,800	7,764	(36)
Adult Education	140,000	89,355	(50,645)
Adult Education - subsidy	208,215	211,246	3,031
State Revenue Sharing	2,030,000	1,848,258	(181,742)
Homestead exemption	393,804	393,804	-
BETE Reimbursement	184,769	184,769	-
Local Road Assistance	240,000	236,540	(3,460)
Debt service reimbursement	276,231	302,288	26,057
Payment in lieu of taxes	30,300	27,064	(3,236)
Tree growth	-	12,962	12,962
Veterans exemption	20,000	49,847	29,847
Total intergovernmental	24,697,917	24,408,044	(289,873)

CITY OF SANFORD, MAINE
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Budgetary Basis), Continued

	Final budget	Actual	Variance positive (negative)
Revenues, continued:			
Investment income	\$ 50,000	82,140	32,140
Other:			
Recycling	20,000	20,673	673
Airport	50,343	51,174	831
Town building	13,000	11,837	(1,163)
Economic Growth Council	80,000	75,000	(5,000)
Rental and lease income	17,046	34,436	17,390
Miscellaneous	8,418	65,898	57,480
Total other	188,807	259,018	70,211
Total revenues	57,058,631	57,228,816	170,185
Expenditures:			
Current:			
General governmental:			
City Council	53,537	55,472	(1,935)
Voter registration	23,664	29,549	(5,885)
Administration	371,866	379,585	(7,719)
Personnel	123,371	123,457	(86)
Planning	127,261	114,026	13,235
Office of Economic Affairs	141,079	133,272	7,807
Information systems	332,855	335,504	(2,649)
Code enforcement	169,013	164,977	4,036
Assessor	167,377	150,285	17,092
Treasurer/City clerk	313,361	330,581	(17,220)
General assistance	233,226	332,383	(99,157)
Health officer	1,000	1,000	-
Charter commission	12,000	13,161	(1,161)
Legal services	80,000	112,741	(32,741)
Insurance	173,593	150,726	22,867
Employee benefits	3,027,457	3,181,658	(154,201)
Total general governmental	5,350,660	5,608,377	(257,717)

CITY OF SANFORD, MAINE
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Budgetary Basis), Continued

	Final budget	Actual	Variance positive (negative)
Expenditures, continued:			
Current, continued:			
Public services:			
Recreation	\$ 297,830	296,900	930
Parks	310,233	311,814	(1,581)
Historical Committees	9,498	9,498	-
City Hall/Annex	272,507	245,140	27,367
Mtn. View Acres	500	107	393
Airport	211,922	204,568	7,354
Cemetery	88,497	73,179	15,318
Library	535,425	535,425	-
Community agencies	55,010	55,010	-
Total public services	1,781,422	1,731,641	49,781
Public safety:			
Police department	2,944,700	2,848,836	95,864
Central Dispatch	1,519,991	1,516,746	3,245
Police - other	29,307	42,799	(13,492)
Fire department	3,606,920	3,608,091	(1,171)
Total public safety	8,100,918	8,016,472	84,446
Public works:			
Public works	2,229,334	2,126,715	102,619
Environmental services	1,585,612	1,447,252	138,360
Total public works	3,814,946	3,573,967	240,979
Education:			
General operations	33,508,632	32,858,811	649,821
Adult education	832,396	790,497	41,899
St. Thomas	97,796	97,796	-
Total education	34,438,824	33,747,104	691,720
County tax	791,518	791,518	-
Other:			
Overlay/abatements	80,987	-	80,987
TIF financing	605,067	605,067	-
Other	21,668	22,168	(500)
Total other	707,722	627,235	80,487

CITY OF SANFORD, MAINE
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Budgetary Basis), Continued

	2013		Variance positive (negative)
	Final budget	Actual	
Expenditures, continued:			
Debt service:			
Principal	\$ 797,986	797,986	-
Interest	340,209	340,207	2
Total debt service	1,138,195	1,138,193	2
Capital Improvement Plan (City):			
Voter Registration - Accuvote	1,000	-	1,000
Planning - Comprehensive Plan	538	538	-
Information Systems	112,098	98,304	13,794
Fire Department	357,463	315,229	42,234
Central Dispatch	65,406	31,345	34,061
Police Department	85,217	80,671	4,546
Public Works	2,433,054	1,150,098	1,282,956
Recreation	35,518	18,278	17,240
Parks	143,433	41,436	101,997
City Hall/Annex	122,902	20,026	102,876
Airport	22,483	2,773	19,710
Cemeteries	19,470	6,986	12,484
Capital plan reserve	-	(2,907)	2,907
Total capital improvement plan	3,398,582	1,762,777	1,635,805
Total expenditures	59,522,787	56,997,284	2,525,503
Excess (deficiency) of revenues over (under) expenditures	(2,464,156)	231,532	2,695,688
Other financing sources:			
Use of assigned fund balance	1,614,156	-	(1,614,156)
Budgeted use of fund balance - City	650,000	-	(650,000)
Budgeted use of fund balance - Education	200,000	-	(200,000)
Total other financing sources	2,464,156	-	(2,464,156)
Net change in fund balance - budgetary basis	-	231,532	231,532
Reconciliation to GAAP basis:			
Change in general fund assigned funds		70,843	
Net change in fund balance - GAAP basis		302,375	
Fund balance, beginning of year, restated		8,555,551	
Fund balance, end of year	\$	8,857,926	

CITY OF SANFORD, MAINE
Assigned Funds - General Fund
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the year ended June 30, 2013

		Fund balances (deficits)				Fund balances (deficits)	
		beginning of year	Charges for services	Other	Expenditures	Transfers in (out)	end of year
2087	Montreal Street	\$ (16,223)	-	-	-	-	(16,223)
2089	Roosevelt Street	150	-	-	-	-	150
2092	Recreation	46,299	80,962	-	82,084	-	45,177
2097	Bodwell Street	(25,641)	-	-	-	-	(25,641)
2107	Airport Timbersale	6,035	50,261	-	-	-	56,296
2300	Payroll reserve	(15,678)	-	21,704	-	-	6,026
Total assigned funds		\$ (5,058)	131,223	21,704	82,084	-	65,785

ALL OTHER GOVERNMENTAL FUNDS



CITY OF SANFORD, MAINE
Combining Balance Sheet
All Other Governmental Funds
June 30, 2013

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total Other Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 2,436,235	179,478	539,858	3,155,571
Investments	-	-	911,297	911,297
Accounts receivable	221,706	-	-	221,706
Inventory	21,865	-	-	21,865
Land (held for investment)	-	-	109,500	109,500
Total assets	\$ 2,679,806	179,478	1,560,655	4,419,939
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	90,869	43,700	-	134,569
Accrued payroll	34,857	-	-	34,857
Interfund loans payable	767,250	94,273	54,259	915,782
Total liabilities	892,976	137,973	54,259	1,085,208
Fund balances:				
Nonspendable - inventory	21,865	-	-	21,865
Nonspendable - land	-	-	109,500	109,500
Nonspendable - principal	-	-	455,804	455,804
Restricted	2,316,228	41,872	941,092	3,299,192
Committed	-	50,250	-	50,250
Unassigned	(551,263)	(50,617)	-	(601,880)
Total fund balance	1,786,830	41,505	1,506,396	3,334,731
Total liabilities and fund balances	\$ 2,679,806	179,478	1,560,655	4,419,939

CITY OF SANFORD, MAINE
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
All Other Governmental Funds
For the year ended June 30, 2013

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total Other Governmental Funds
Revenues:				
Property taxes	\$ 605,067	-	-	605,067
Intergovernmental	9,577,828	54,788	-	9,632,616
Charges for services	418,949	-	-	418,949
Investment income	2,985	-	77,090	80,075
Donations and contributions	-	-	41,532	41,532
Other	1,207,467	29,312	-	1,236,779
Total revenues	11,812,296	84,100	118,622	12,015,018
Expenditures:				
Current:				
General government	5,498,176	-	-	5,498,176
Public services	81,450	-	72,774	154,224
Public safety	75,298	-	-	75,298
Public works	398,976	-	-	398,976
Education	6,483,816	-	-	6,483,816
Capital expenditures	-	179,126	-	179,126
Total expenditures	12,537,716	179,126	72,774	12,789,616
Net change in fund balances	(725,420)	(95,026)	45,848	(774,598)
Fund balances, beginning of year, restated	2,512,250	136,531	1,460,548	4,109,329
Fund balances, end of year	\$ 1,786,830	41,505	1,506,396	3,334,731

NONMAJOR SPECIAL REVENUE FUNDS



CITY OF SANFORD, MAINE
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the year ended June 30, 2013

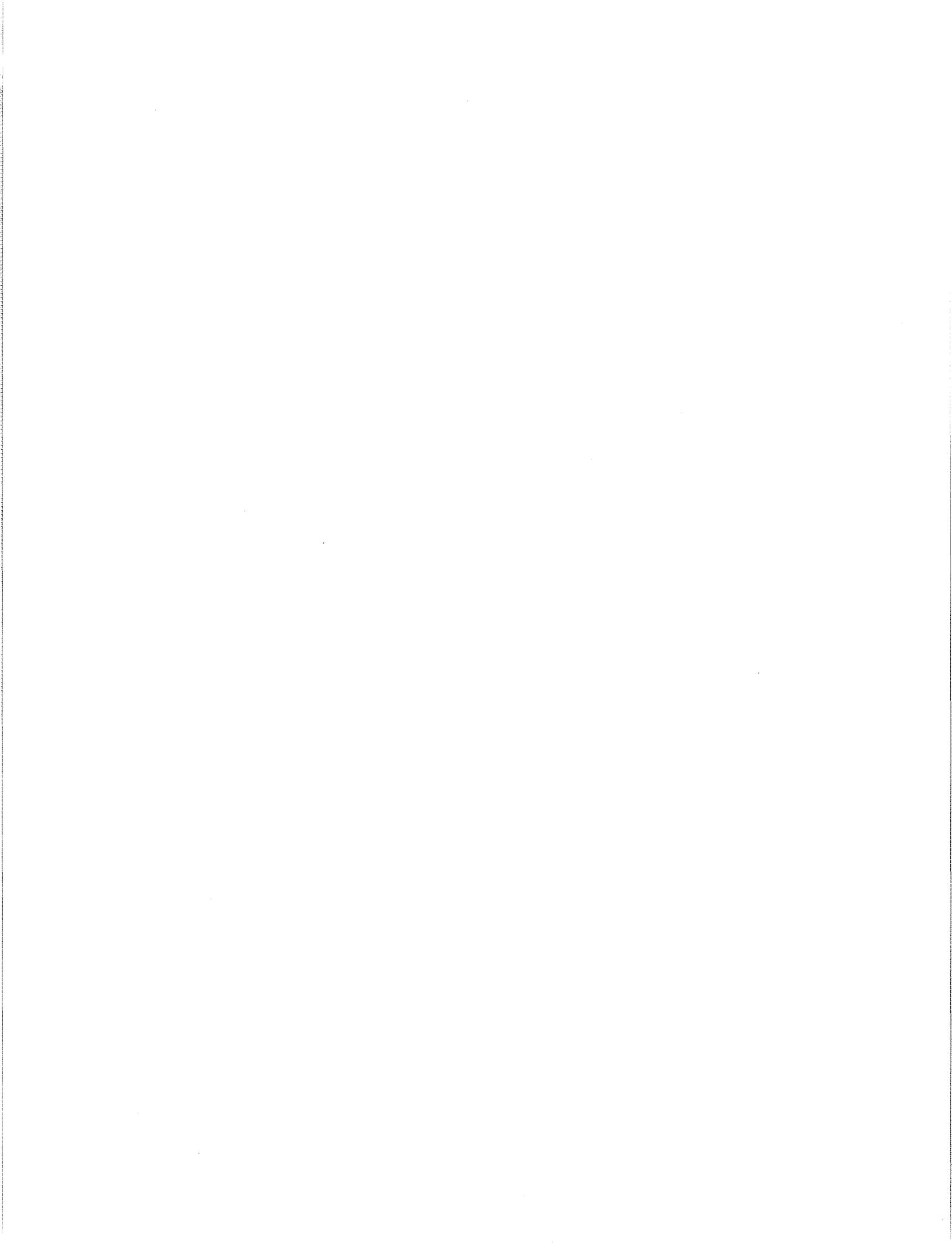
	Balances beginning of year	Revenues				Expenditures	Transfers in (out)	Balances end of year
		Property taxes	Intergov- ernmental	Investment income	Other			
General government:								
Federal/State programs:								
2029 Technical Assistance Grant	\$ -	-	20,000	-	-	20,000	-	-
2030 CD LMI General Account	436	-	-	-	-	-	-	436
2042 KKW	49,899	-	-	-	11,887	19,546	-	42,240
2047 Neighborhood Stabilization Grant	-	-	783,308	-	-	783,308	-	-
2094 Riverfront Grant	1	-	32,660	-	-	32,661	-	-
2102 Public Service Grant - Waban	-	-	50,000	-	-	50,000	-	-
2112 Neighborhood Stabilization Grant	-	-	3,701,038	-	-	3,701,037	-	1
2113 NE Truck Tire Center	-	-	200,000	-	-	200,000	-	-
Other programs - Restricted:								
2002 Rainbow Rug TIF	11,193	40,572	-	30	-	34,486	-	17,309
2003 US Felt TIF	3,414	31,612	-	14	-	7,904	-	27,136
2007 Rt 109 Downtown TIF	113,142	388,412	-	304	8,709	435,572	-	74,995
2008 Central Tire TIF	468	24,476	-	15	-	12,238	-	12,721
2009 Village Green TIF	2,267	10,356	-	6	-	9,320	-	3,309
2010 Sanford Institute for Savings TIF	4,014	40,752	-	20	-	30,564	-	14,222
2011 Rubb TIF	7,102	20,834	-	22	-	15,626	-	12,332
2012 Kennedy Center TIF	-	3,071	-	-	-	3,071	-	-
2013 SPH, LLC TIF	-	44,982	-	26	-	22,491	-	22,517
2020 Impact Fees	218,511	-	-	492	66,637	63,148	-	222,492
2096 2010 Facade Improvement	2,754	-	-	4	-	-	-	2,758
2116 Tax Acquired Property Remediation	-	-	-	-	17,306	3,721	-	13,585
2118 Central Maine Power Company	-	-	-	-	6,250	-	-	6,250
City Unemployment Compensation	53,843	-	-	399	41,846	28,217	-	67,871
School Unemployment Compensation	85,957	-	-	1,642	47,313	25,266	-	109,646
Total general government	553,001	605,067	4,787,006	2,974	199,948	5,498,176	-	649,820
Public services:								
Federal/State programs:								
2115 Gateway park	-	-	57,306	-	2,600	57,306	-	2,600
Other programs - Restricted:								
2080 Teen Center	7,146	-	-	11	-	-	-	7,157
2084 Airport Open House	10,333	-	-	-	-	1,208	-	9,125
2090 Imelda's Fund	18,180	-	-	-	13,076	22,019	-	9,237
2091 Clean Up Day	26	-	-	-	989	917	-	98
2114 Ollie Fund - Skate Park	-	-	-	-	5,000	-	-	5,000
Total public services	35,685	-	57,306	11	21,665	81,450	-	33,217

CITY OF SANFORD, MAINE
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the year ended June 30, 2013

	Balances (deficits) beginning of year	Revenues				Expenditures	Transfers in (out)	Balances (deficits) end of year
		Property taxes	Intergov- ernmental	Investment income	Other			
Education:								
2200 Other School special revenues	-	-	-	-	-	13,941	-	(13,941)
2202 E-Rate	195,473	-	82,816	-	-	22,295	-	255,994
2203 Industrial Tech Sending School	102,971	-	-	-	102,000	63,465	12,800	154,306
2204 Melmac Grant	20,930	-	4,500	-	-	17,277	-	8,153
2209 Efficiency Maine	18,472	-	-	-	-	-	-	18,472
2210 Kids Club	6,833	-	-	-	37,580	19,866	-	24,547
2211 Lafayette Local Funds	775	-	-	-	-	315	-	460
2216 CAPCO Grant	1,804	-	-	-	-	-	-	1,804
2217 ING Unsung Heroes	1,451	-	-	-	2,000	2,264	-	1,187
2218 Junior High Local Funds	2,119	-	-	-	-	274	-	1,845
2222 Target Media Grant	499	-	-	-	-	346	-	153
2223 Buildings Assets Reducing Risk	-	-	-	-	75,300	93,517	-	(18,217)
2224 Smart Grant	3	-	-	-	-	-	-	3
2228 Partners in Arts & Learning	(448)	-	-	-	1,540	1,500	-	(408)
2230 Title IA - ARRA	(1,238)	-	-	-	-	-	-	(1,238)
2233 Lighthouse Grant	132	-	-	-	23,750	25,006	-	(1,124)
2238 College Transitions	(3)	-	30,000	-	-	28,110	-	1,887
2239 Title IA	64,515	-	852,477	-	-	950,819	-	(33,827)
2240 Elementary School Counseling Program	(11)	-	-	-	-	-	-	(11)
2245 Extended Secondary Counseling Grant	(3,048)	-	176,904	-	-	193,343	-	(19,487)
2247 Learn and Serve	2,450	-	24,009	-	-	24,119	-	2,340
2249 MaineCare	70,116	-	188,045	-	-	104,609	-	153,552
2252 IDEA Grant - Local Entitlement	(85,013)	-	855,101	-	-	1,085,424	-	(315,336)
2253 ECT Grant (Preschool)	15,306	-	16,970	-	-	28,754	-	3,522
2254 Project Canopy	(2,226)	-	-	-	-	-	-	(2,226)
2256 Alcohol Abuse Reduction Grant	(142)	-	362,221	-	-	364,691	-	(2,612)
2258 21st Century	706	-	124,169	-	-	124,169	-	706
2259 Title V - Innovative	(83,949)	-	-	-	-	-	-	(83,949)
2261 Title III - English Language Acquisition	(717)	-	11,976	-	-	13,640	-	(2,381)
2262 Title IIA - Teacher Quality	273,897	-	251,136	-	-	228,911	-	296,122
2264 Safe Schools Healthy Students	(170)	-	73,098	-	-	56,204	-	16,724
2266 Nellie Mae grant	614,756	-	-	-	545,594	974,321	(12,800)	173,229
2268 Title IC - Perkins	-	-	153,240	-	-	152,790	-	450
2269 Adult Basic Education	25,838	-	59,489	-	-	65,383	-	19,944
2270 ARRA Jobs	(912)	-	912	-	-	-	-	-
2271 Health insurance premiums pass-through	-	-	-	-	148,160	149,077	-	(917)
2272 Corning Grant	-	-	-	-	5,000	4,846	-	154
2273 SHS iPad Program	-	-	-	-	36,068	1,281	-	34,787
2274 Wal-Mart Foundation	-	-	-	-	1,000	-	-	1,000
Safe Schools Mini/Local	2,211	-	-	-	-	-	-	2,211
5000 School Cafeteria	345,024	-	1,231,476	-	418,949	1,673,259	-	322,190
Total education	1,588,404	-	4,498,539	-	1,396,941	6,483,816	-	1,000,068

CITY OF SANFORD, MAINE
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the year ended June 30, 2013

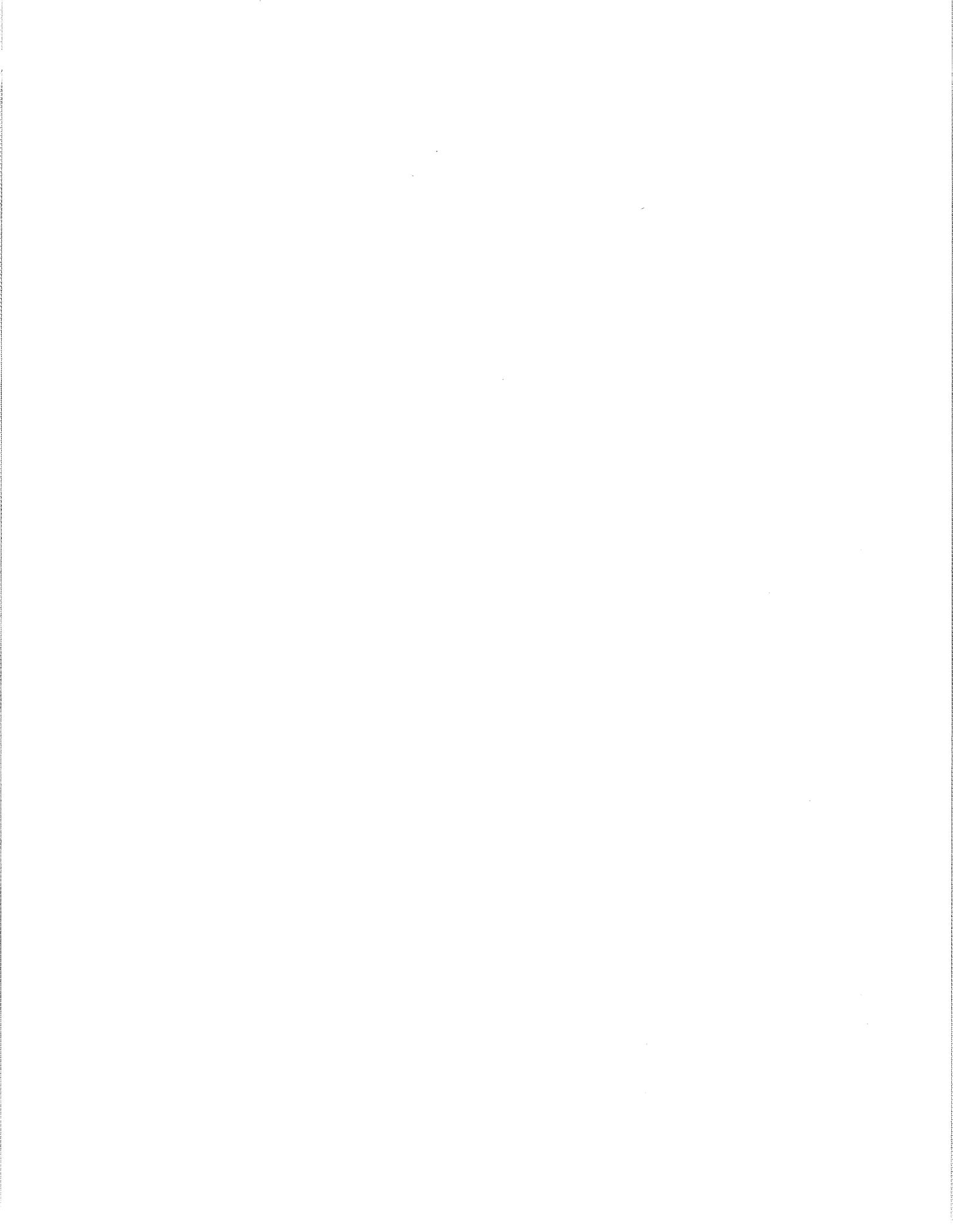
	Balances (deficits) beginning of year	Revenues				Expenditures	Transfers in (out)	Balances (deficits) end of year
		Property taxes	Intergov- ernmental	Investment income	Other			
Public safety:								
Federal/State programs:								
2051 COPS Hiring Recovery	\$ -	-	38,763	-	-	38,763	-	-
2052 Law Enforcement Block Grant	742	-	-	-	-	742	-	-
2053 Seized Assets	12,620	-	1,000	-	-	-	-	13,620
2056 Justice Assistance Grant	107	-	-	-	-	97	-	10
2064 Homeland Security	5,467	-	-	-	-	-	-	5,467
2069 2009 Byrne JAG Grant	4	-	-	-	-	-	-	4
2070 JAG Recovery Grant	8,074	-	-	-	-	7,627	-	447
2075 Home Fire Sprinkler Coalition	-	-	1,000	-	-	1,000	-	-
2076 2010 JAG Recovery Grant	-	-	9,395	-	-	11,687	-	(2,292)
2077 2011 JAG Program	(1,170)	-	10,989	-	-	10,590	-	(771)
2078 2012 JAG Program	-	-	2,792	-	-	2,792	-	-
2103 Safety Enhancement Grant	-	-	2,000	-	-	2,000	-	-
2105 Firearms Range	600	-	-	-	2,862	-	-	3,462
2106 SPD Training	485	-	-	-	-	-	-	485
Other Programs:								
2111 Smoke Detector Program	-	-	-	-	5,000	-	-	5,000
Total public safety	26,929	-	65,939	-	7,862	75,298	-	25,432
Public works:								
Federal/State programs:								
2067 Brownfields Subgrant	40,000	-	68,251	-	-	160,777	-	(52,526)
2068 Brownfields Assessment	(670)	-	5,770	-	-	5,100	-	-
2095 FEMA 1891 Disaster Recovery	58,578	-	-	-	-	58,578	-	-
2098 FEMA 1920 Disaster Recovery	212,142	-	-	-	-	121,706	-	90,436
2100 Brownfields Area Planning Grant	(2,856)	-	24,299	-	-	21,443	-	-
2104 FEMA 4032 Disaster Recovery	1,037	-	-	-	-	1,037	-	-
2108 Brownfields Assessment	-	-	30,337	-	-	30,335	-	2
2117 FEMA 4108 Disaster Recovery	-	-	40,381	-	-	-	-	40,381
Total public works	308,231	-	169,038	-	-	398,976	-	78,293
Total nonmajor special revenue funds	\$ 2,512,250	605,067	9,577,828	2,985	1,626,416	12,537,716	-	1,786,830



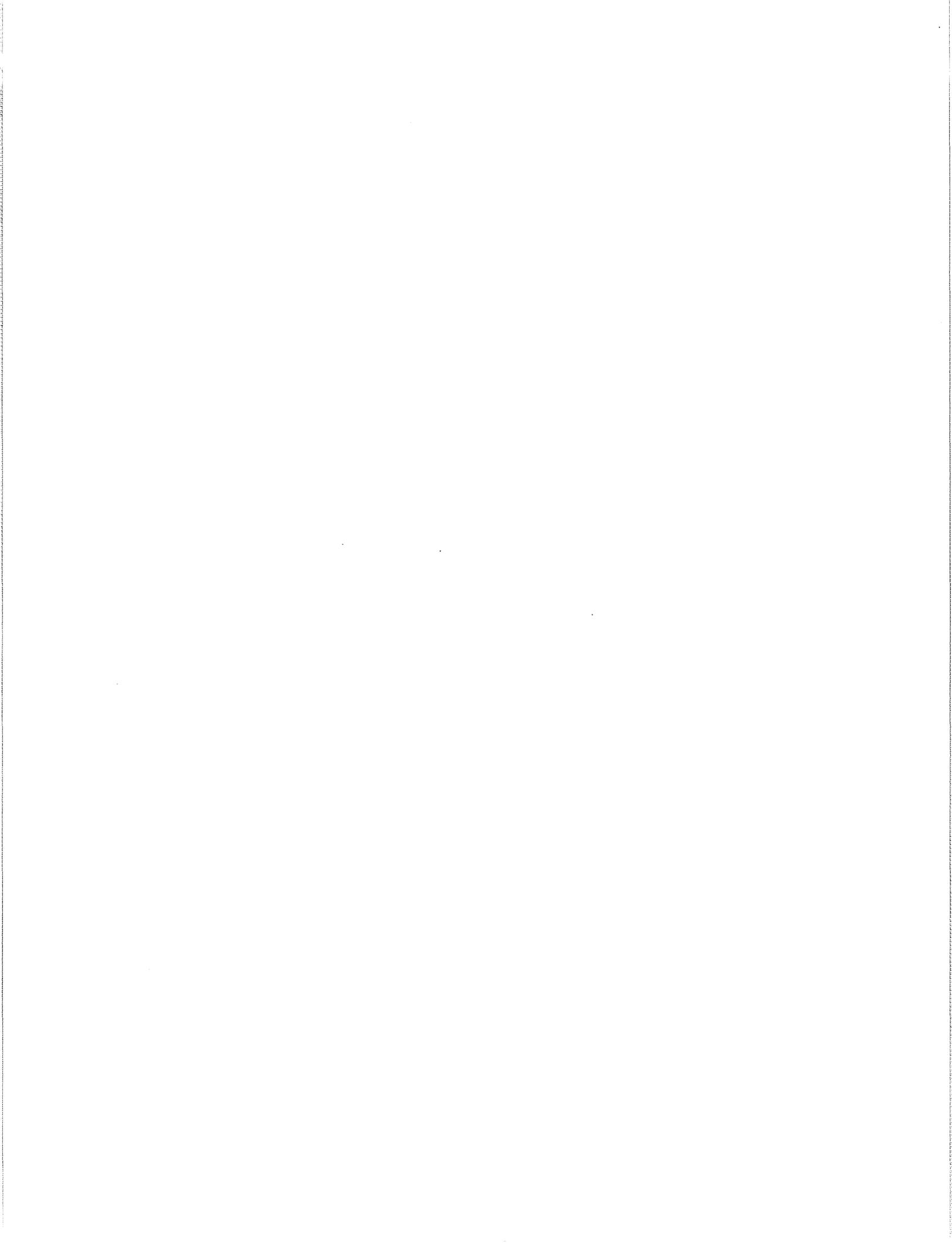
NONMAJOR CAPITAL PROJECT FUNDS

CITY OF SANFORD, MAINE
Nonmajor Capital Project Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the year ended June 30, 2013

	Balances (deficits) beginning of year	Revenues		Expenditures	Transfers in (out)	Balances (deficits) end of year
		Intergov- ernmental	Other			
4000 Number One Pond	\$ 200	-	-	-	-	200
4003 Job Bond Local Road Assistance	752	-	-	-	-	752
4005 Urban Forestry	5,590	-	-	-	-	5,590
4008 Goodall Statue	1,550	-	-	-	-	1,550
4011 Department of Conservation	1,121	-	-	-	-	1,121
4016 Infrastructure Grant	2,251	-	-	-	-	2,251
4025 EDA Regional Airport	22,788	-	-	-	-	22,788
4030 Land/Salt Airport Road	15,342	-	-	14,588	-	754
4031 Compact Thimp Police	61,830	-	25,000	61,533	3,408	28,705
4033 Fagan Mill (Eminent)	3,408	-	-	-	(3,408)	-
4035 Airport Improvement Program	10,916	-	-	1,539	-	9,377
4038 Airport Improvement Program	(4,312)	-	4,312	-	-	-
4039 CGA Clean Up	12,699	-	-	-	-	12,699
4040 Mid Town Mall	-	32,095	-	32,095	-	-
4043 Safe Routes to School Project	(3,939)	15,447	-	11,508	-	-
4044 Project Canopy	6,335	-	-	-	-	6,335
4045 Goodall Brook Watershed	-	7,246	-	7,246	-	-
4047 High School Interim Financing	-	-	-	50,617	-	(50,617)
Total nonmajor capital projects	\$ 136,531	54,788	29,312	179,126	-	41,505



NONMAJOR PERMANENT FUNDS



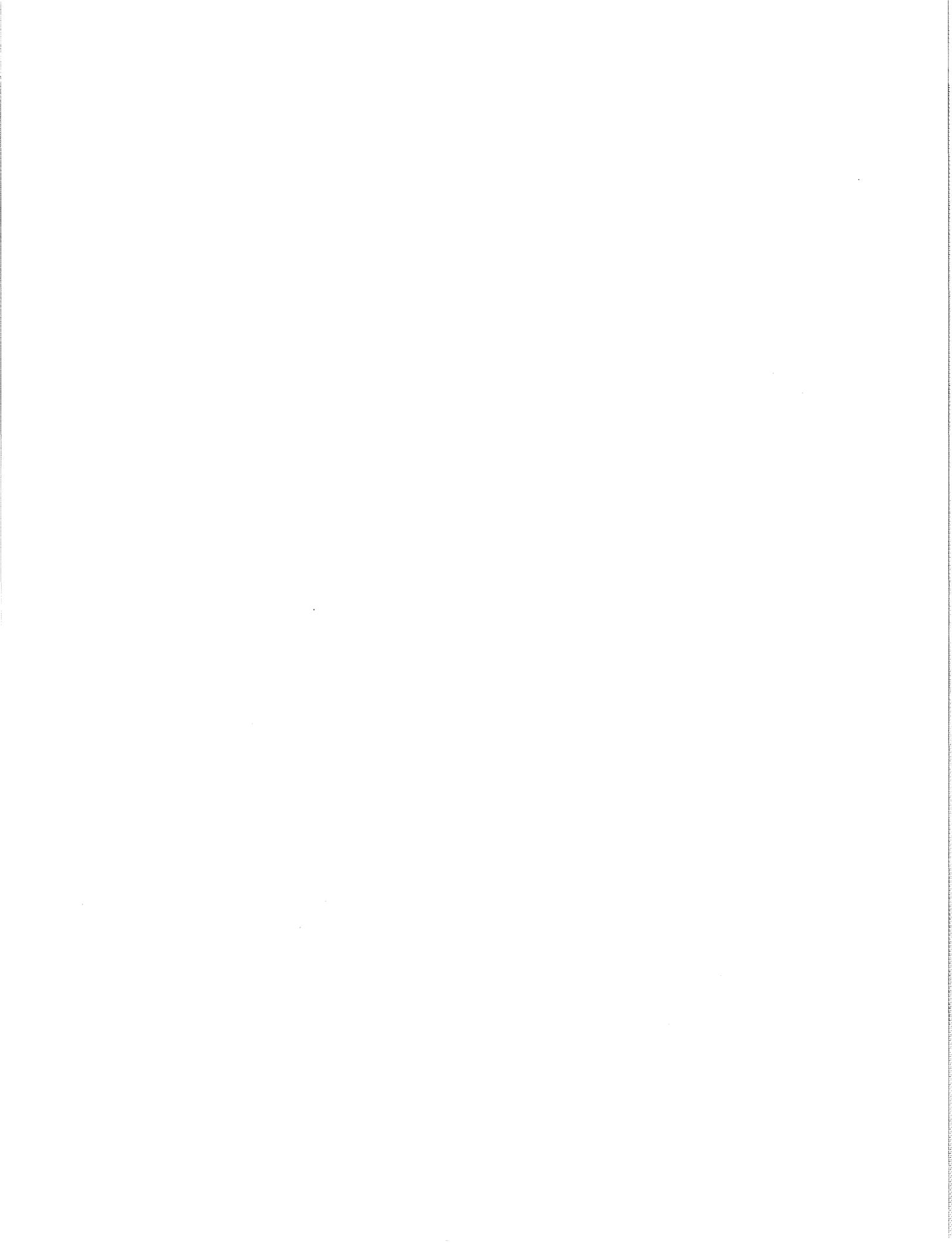
CITY OF SANFORD, MAINE
Nonmajor Permanent Funds
Combining Balance Sheet
June 30, 2013

	7000	7001	7002	7003	7008	7012		
	Gowen Park Trust	Park Maintenance Fund	Oakdale Cemetery Perpetual Trust	Nutter Trust	Holdsworth Park Trust	Goodall Park	Beneficial Interest in Goodall Park Trust	Totals
ASSETS								
Cash and cash equivalents	\$ 48,626	15,776	247,876	29,418	20,943	152,396	24,823	539,858
Investments	-	-	141,262	-	345,054	-	424,981	911,297
Land (held for investment)	-	-	-	-	109,500	-	-	109,500
Total assets	\$ 48,626	15,776	389,138	29,418	475,497	152,396	449,804	1,560,655
LIABILITIES AND FUND BALANCES								
Liabilities:								
Interfund loans payable	11,650	-	2,350	-	593	39,666	-	54,259
Total liabilities	11,650	-	2,350	-	593	39,666	-	54,259
Fund balances:								
Nonspendable - principal	-	6,000	-	-	-	-	449,804	455,804
Nonspendable - land	-	-	-	-	109,500	-	-	109,500
Restricted	36,976	9,776	386,788	29,418	365,404	112,730	-	941,092
Total fund balances	36,976	15,776	386,788	29,418	474,904	112,730	449,804	1,506,396
Total liabilities and fund balances	\$ 48,626	15,776	389,138	29,418	475,497	152,396	449,804	1,560,655

CITY OF SANFORD, MAINE
Nonmajor Permanent Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended June 30, 2013

	7000	7001	7002	7003	7008	7012		
	Gowen	Park	Oakdale		Holdsworth		Beneficial	
	Park	Maintenance	Cemetery	Nutter	Park	Goodall	Interest in	
	Trust	Fund	Perpetual	Trust	Trust	Park	Goodall Park	Totals
	Trust		Trust		Trust	Trust	Trust	
Revenues:								
Investment income	\$ 52	13	806	59	19,149	-	57,011	77,090
Donations	8,125	-	5,150	-	-	28,257	-	41,532
Total revenues	8,177	13	5,956	59	19,149	28,257	57,011	118,622
Expenditures:								
Public services	11,650	-	-	-	593	37,268	23,263	72,774
Total expenditures	11,650	-	-	-	593	37,268	23,263	72,774
Net change in fund balances	(3,473)	13	5,956	59	18,556	(9,011)	33,748	45,848
Fund balances, beginning of year, restated	40,449	15,763	380,832	29,359	456,348	121,741	416,056	1,460,548
Fund balances, end of year	\$ 36,976	15,776	386,788	29,418	474,904	112,730	449,804	1,506,396

FIDUCIARY FUNDS



CITY OF SANFORD, MAINE
Combining Statement of Fiduciary Net Position
Fiduciary Funds - Private-purpose Trust
June 30, 2013

		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	13,749	20,000	8,453	54,231	6,954	104,667
Investments		-	-	-	-	785,398	-	785,398
Total assets	\$	1,280	13,749	20,000	8,453	839,629	6,954	890,065
NET POSITION								
Principal		400	-	-	-	5,000	-	5,400
Unexpended income		880	13,749	20,000	8,453	834,629	6,954	884,665
Total net position	\$	1,280	13,749	20,000	8,453	839,629	6,954	890,065

CITY OF SANFORD, MAINE
Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds - Private-purpose Trust
For the year ended June 30, 2013

	7004	7005	7007	7009	7010	7011	
	Thornburg	Lucy	William	Walter	High School	Sherburne	
	Goodall	Emery	Oscar Emery	Cyr	Scholarship	Basketball	
	Fund	Trust	Trust	Trust	Fund	Fund	Totals
Additions:							
Investment income	\$ -	3	-	17	72,542	18	72,580
Donations	-	-	-	-	9,841	-	9,841
Total additions	-	3	-	17	82,383	18	82,421
Deductions:							
Scholarships	-	-	-	-	23,168	-	23,168
Total deductions	-	-	-	-	23,168	-	23,168
Change in net position	-	3	-	17	59,215	18	59,253
Net position, beginning of year	1,280	13,746	20,000	8,436	780,414	6,936	830,812
Net position, end of year	\$ 1,280	13,749	20,000	8,453	839,629	6,954	890,065

CITY OF SANFORD, MAINE
Statement of Changes in Assets and Liabilities
Fiduciary Funds - Agency Funds
For the Year Ended June 30, 2013

	Balance			Balance
	July 1, 2012	Additions	Deductions	June 30, 2013
ASSETS				
Cash and cash equivalents	\$ 404,130	561,879	500,476	465,533
Total assets	404,130	561,879	500,476	465,533
LIABILITIES				
Held on behalf of student groups	404,130	561,879	500,476	465,533
Total liabilities	\$ 404,130	561,879	500,476	465,533

