

TOWN OF BOOTHBAY HARBOR  
TABLE OF CONTENTS  
JUNE 30, 2015

Independent Auditors' Report

Management's Discussion and Analysis

General Purpose Financial Statements Exhibits

Statements of Net Position	A
Statements of Activities	B
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	C
Reconciliation of the Statements of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statements of Activities	D
Balance Sheets - Governmental Funds	E
Statements of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds	F
Statements of Revenues, Expenses, and Changes in Net Position - Proprietary Fund Fish Pier	G
Statements of Cash Flows - Proprietary Fund - Fish Pier	H
Notes to Financial Statements	

Supplemental Information Schedules

Budgetary Comparison Schedule - General Fund	A-1
Statement of Cash Receipts and Disbursements	A-2
Statement of Changes in Unappropriated Surplus	A-3
Statement of Departmental Operations	A-4
Valuation, Assessment, and Collections	A-5
Reconciliation of Treasurer's Cash Balance	A-6
Statement of Taxes Receivable	A-7
Taxes Receivable	A-8
Tax Liens	A-9
Capital Projects	A-10

**WILLIAM H. BREWER**

*Certified Public Accountant*

*858 Washington Street*

*P.O. Box 306*

*Bath, Maine 04530*

-----

*(207) 443-9759*

*(207) 563-5495*

INDEPENDENT AUDITORS' REPORT

Board of Selectmen  
Town of Boothbay Harbor  
11 Howard Street  
Boothbay Harbor, Maine 04538

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Boothbay Harbor, as of and for the years ended June 30, 2015 and 2014, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the Table of Contents.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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, business-type activities, each major fund, and the aggregate remaining fund information of the Town of Boothbay Harbor as of June 30, 2015 and 2014, and the respective changes in financial position, and where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information 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.

October 23, 2015

**TOWN OF BOOTHBAY HARBOR, MAINE**  
**Management's Discussion and Analysis**  
**June 30, 2015**

---

The following is a discussion and analysis of the Town of Boothbay Harbor's financial activities and performance for the fiscal year ending June 30, 2015.

**FINANCIAL AND DISCUSSION HIGHLIGHTS**

- The Town's net position decreased by \$21,013.54 (Exhibit B).
- General fund actual expenditures exceeded revenues by \$191,524.88 (Exhibit F).
- In business-type activities, (i.e. Fish Pier Enterprise Fund) revenues increased by 16.8% from the previous year from \$38,578.63 to \$45,094.32. Operating expenses, which includes depreciation, increased by \$1,128.07 resulting in an operational gain of \$971.21 for the Fish Pier Enterprise Fund.
- Governmental revenues decreased by \$52,426.28 from the previous year due to a decrease in general government collections.
- Mil rate of 10.9 per thousand is a 0.05 per thousand decrease from last year. Assessed value of \$598,543,320.00 was listed as of April 1, 2014.

**THIS REPORT**

There are two basic financial statements: government-wide financial statements and fund financial statements. Government-wide statements present an overview of the overall government, measuring and reporting all of its assets, liabilities, expenses, and net gains and losses. It excludes fiduciary (or trust) fund types, and focuses on governmental and business-type activities. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when they are earned and expenses are recorded when a liability is incurred. Property taxes are recognized as revenues and posted in the year in which they are levied. Grants are recognized as revenue as soon as the eligibility requirements have been met. Capital assets and long-term debt are recognized as assets and liabilities in the entity-wide financial statements.

Exhibits A and B (i.e., Statement of Net Position and Statement of Activities) are examples of government-wide financial statements. They report information on the change in net position of non-fiduciary activities of the Town as a whole, and demonstrate the degree to which expenses are offset by program revenues. Program revenues are derived directly from the program itself - they are charges to customers for services, and include any specific operating grant and contribution to the Town. The equity section of Exhibit A shows the amounts net invested in capital assets, as well as assigned, unassigned and committed for capital projects. Assigned net position is restricted by creditors or imposed by law, whereas, unassigned net position is the residual amounts leftover.

Governmental fund financial statements are reported using the current financial resources measurement focus as well as the modified accrual basis of accounting. The fund financial statements start with Exhibit E. Revenues are recognized as soon as they become available and measurable. Revenues susceptible to accrual are property taxes, interest, and charges for service. They show greater financial detail than the government-wide statements, and tell us how the Town's governmental activities and services were financed during the year as well as what remains for future spending. Capital assets and long-term debt are not reported in the fund financial statements and fund balances are reported as either reserved or unreserved. The remaining statements (i.e., Exhibit G and H) provide financial information about the Town's business-type activities. The Fish Pier account is the Town's only proprietary fund.

**TOWN OF BOOTHBAY HARBOR, MAINE**  
**Management's Discussion and Analysis, Continued**

---

**THE TOWN AS A WHOLE**

*Analysis of the Statement of Net Position and Statement of Activities*

Our analysis of the Town as a whole begins with Exhibits A and B - the Statement of Net Position and Statement of Activities. Think of the Town as being divided into two kinds of activities: governmental activities and business-type activities. Governmental activities, which include basic services such as police, fire, public works, and general administration, are funded by taxes, intergovernmental funds, and miscellaneous revenues, while business-type activities are supported largely by user charges and fees to help cover the cost of repairs and maintenances and expansion. The Town's only business-type activity is the Fish Pier.

The Town's total net position (or difference between total assets and liabilities of all governmental and business-type activities) for the period ending June 30, 2015 was \$4,785,734.87. In contrast, the total net position for the prior period was \$4,807,719.62. The difference between the two periods is \$21,984.75. Similarly, the Town's Fish Pier net position for the same period ending June 30, 2015 was \$808,505.18, while the beginning assets for the same period were \$807,533.97 an increase of \$971.21. In both cases, the Town's equity position (or net worth) has changed moderately from the previous year. Management will monitor for any variance in accounting to ensure continued compliance and stewardship responsibility.

The Town's total position, which includes anything that the Town owns of value, is \$5,920,153.05 compared to \$5,970,690.59 in 2014. This includes all cash, taxes receivable and liens, internal balances, and net capital assets for both governmental and business-type activities. Internal balances represent the balances owed between the governmental and business-type activities. The Town's total liabilities, which include all accounts payable, accrued expenses and interest, and long-term liabilities, are \$934,971.06 of which \$239,506.41 of the long-term liabilities is due within one year (Exhibits A and B).

**THE TOWN'S MOST SIGNIFICANT FUND: THE GENERAL FUND**

*Analysis of Fund Financial Statements*

Our analysis of the Town's major funds begins with Exhibit F (or the Statement of Revenues, Expenditures, and Changes in Fund Balances). The fund financial statements provide detailed information on the flow and use of financial resources: they are the Town's most significant funds, with the general fund being the most important fund. It accounts for all resources not otherwise devoted to specific activities, and it finances most of our basic local government functions, such as general administration and police. The Town uses two kinds of funds - *governmental and proprietary* - with different accounting approaches.

**TOWN OF BOOTHBAY HARBOR, MAINE**  
**Management's Discussion and Analysis, Continued**

---

*Governmental funds:* The general fund is the general operating fund of the Town. All general tax revenues and other receipts that are not allocated by law are accounted for in this fund. Governmental funds use the modified accrual accounting method, and are reported separately from business-type activities, which rely on fees and charges for support. Revenues are recognized when they become available and measurable. Exhibit F provides a detailed short-term view of the Town's general government operations and the basic services it provides.

The relationship (or differences) between governmental activities and how that information is reported in the Statement of Net Position and the Statement of Activities is discussed in Exhibits A & B.

*Proprietary funds:* Proprietary fund financial statements include a statement of net assets (or a balance sheet), a statement of revenues, expenses, and changes in net position (or fund equity) and a statement of cash flow. The balance sheet presents investments in net assets and unrestricted net position. The Fish Pier operation is reported as an enterprise fund, because it is supported largely by user fees and charges to help it cover the cost of repairs and maintenance. It runs on a fully self-supporting, independent basis, utilizing private-sector standards of accounting and financial reporting. Reporting for proprietary funds requires a cash flow statement (Exhibit H), which displays receipts and disbursements of cash. Recognition of all expenses is required for proprietary funds (Exhibit G) accounting for capital assets and their depreciation.

For the year ending 2015, governmental revenues decreased by \$52,426.28 from the previous year. Governmental expenditures increased \$345,035.31 for the same period. Expenditures exceeded revenues by \$191,524.88. The fund balance of the governmental funds is \$2,111,607.86, (\$1,728,360.53 for general fund, \$379,315.28 for capital projects, and \$3,932.05 for the shellfish account). The undesignated fund balance of the general fund of \$1,728,360.53 is above the fund balance requirement established in May of 2004, which requires that the fund balance levels not be less than 8% of the general fund expenditures of that fiscal year.

The cost of all general fund expenditures for 2015 was \$7,572,238.28 compared to \$7,247,939.71 last year. The total amount that our taxpayers financed for these activities through property taxes was \$6,524,122.19 in comparison to \$6,506,976.84 in 2014. The tax collection rate of 97.74% was a decrease over last year's rate of 98.11%. The amount of uncollected taxes for the year ending 2015 was \$187,448.87 compared to the previous year of \$165,314.18. The Town established the dates and installments that taxes were due and payable. The rate of interest was set at 7% the same as last year's rate.

**Business-Type Activities**

The Fish Pier revenues for the year ending 2015 were \$45,094.32 (Exhibit G), with operating expenses and depreciation of \$44,123.11 for an operational gain of \$971.21. In contrast, revenues for the previous year were \$38,578.63 with operating expenses and depreciation of \$42,995.04 for an operational loss of \$4,416.41. Net Position at the beginning of the year was \$807,533.97. Net position at the end of the year was \$808,505.18.

**TOWN OF BOOTHBAY HARBOR, MAINE**  
**Management's Discussion and Analysis, Continued**

---

**GENERAL FUND BUDGETARY DISCUSSION**

A budget is adopted for the General Fund only and not the Fish Pier, which is the Town's business-type activity. The budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Once adopted by the legislative body (or the Town Meeting), the level of control begins with the Town Meeting Warrant, in which expenditures may not exceed appropriations. The Town authorized the municipal officers to carry forward any unexpended account balance, provided that the account carried forward is used for the same purpose and to fund any expenditure exceeding budget from undesignated fund balance. If the undesignated fund balance of the general fund exceeds 8% for that fiscal year, the municipal officials may use the excess over 8% to reduce the tax commitment for the ensuing year. The municipal officials may also make emergency expenditures from the undesignated fund balance to meet an essential need to protect the public health, safety, or welfare. The expenditure for that essential need must be described in an agenda item that includes a precise statement of need and amount of funds required. Excluding normal professional services, contracts for purchases, supplies and capital improvements that are estimated to exceed \$5,000 in any fiscal year requires a formal written sealed bid process. The bid awards must be approved by municipal officers, who shall award to the lowest bidder, unless an award to another bidder is deemed by the municipal officers to be in the best interest of the Town.

For the year ending 2015, expenditures exceeded revenues by \$212,340.56 (Schedule A-1) and fell short from budgeted revenues by \$22,000.72. The accounts exceeding their budgets are listed in Note G.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

*Capital Assets*

The Finance Officer maintains a schedule of assets for GASB Statement No. 34. New property, buildings, or improvements other than furniture and equipment are maintained on this capital asset report. The Town uses the depreciation schedule as defined by GASB Statement No. 34 for its reporting.

Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. As of June 30, 2015 the Town had \$6,756,639.98 in governmental capital assets.

**Debt**

The Town's long-term liability for the year ended June 30, 2015 was \$574,147.34 in governmental activities and \$121,317.31 in business-type activities. Long-term debt in governmental activities included notes on the Fire Truck, and a Refinance Note (Note H). The total notes payable for both governmental and business-type activities were \$765,376.63 of which \$69,911.98 was due within one year.

The State limits the amount of general obligation debt that towns can issue to 3% of the assessed value of all taxable property. The Town's outstanding general obligation debt is significantly below this \$17.96 million state imposed limit.

Other obligations include \$40,415.14 of accrued compensated absences (i.e. unused vacation pay and sick leave) reported on Exhibit A.

**TOWN OF BOOTHBAY HARBOR, MAINE**  
**Management's Discussion and Analysis, Continued**

---

**CONCLUSION TO MD&A REPORT**

This year was a challenging one. The State continues to try and cut municipal revenues while pushing services down to the local level. Those things make keeping a budget and local tax rates stable very difficult. Regardless of those things, the Town of Boothbay Harbor finances remain sound and our tax rate is lower than it was in 2008. The Public Works cold storage building was replaced and it came in under budget. It now contains climate controlled rooms for storage of municipal records. The comprehensive plan was completed and adopted at town meeting. On the economic front, Boothbay Harbor hosted a two day Bike Maine event that brought in over \$50,000.00 an estimated revenue to the community as well as valuable exposure. Job descriptions and the personnel manual continue to be updated. A town investment policy was adopted by the Board of Selectmen. The former tennis court area at the High School parking lot continues to be discussed as to how to proceed with sports improvements and beautification. A couple line items in the budget uncharacteristically went over last year, one of which was snow removal. We all remember last winter and understand why it went over. Otherwise, capital improvements continue, maintenance of municipal infrastructure continues and the municipality is in good shape. Thank you to the Budget Committee and Board of Selectmen for their continuing efforts in reviewing and presenting a well thought out and practical budget at our town meeting again this year.

**CONTACTING THE TOWN'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Julia Latter, Finance Officer, at The Town of Boothbay Harbor, 11 Howard Street, Boothbay Harbor, Maine 04538.



TOWN OF BOOTHBAY HARBOR  
STATEMENTS OF NET POSITION  
JUNE 30, 2015 AND 2014

## ASSETS AND DEFERRED OUTFLOWS

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	2015 TOTALS	2014 TOTALS
<b>CURRENT ASSETS:</b>				
Cash (Note B)	\$ 2,140,726.77	\$ -	\$ 2,140,726.77	\$ 2,330,682.16
Accounts Receivable	11,150.00		11,150.00	7,730.24
Taxes Receivable (Schedule A-8)	124,860.10		124,860.10	9,084.11
Tax Liens (Schedule A-9)	62,588.77		62,588.77	156,230.07
Due From Other Funds	3,932.05	106,359.04	110,291.09	86,035.67
Prepaid Expenses	23,175.40		23,175.40	46,636.92
Total Current Assets	<u>\$ 2,366,433.09</u>	<u>\$ 106,359.04</u>	<u>\$ 2,472,792.13</u>	<u>\$ 2,636,399.17</u>
<b>PROPERTY, PLANT, AND EQUIPMENT (NOTE F):</b>				
Land	\$ 1,526,401.00	\$ 249,832.00	\$ 1,776,233.00	\$ 1,914,131.00
Buildings	2,129,983.00	360,653.00	2,490,636.00	2,317,113.00
Improvements	862,143.03	559,576.00	1,421,719.03	1,421,719.03
Vehicles	1,458,257.95		1,458,257.95	1,463,467.95
Equipment	779,855.00		779,855.00	617,855.00
Total Property, Plant, and Equipment	<u>\$ 6,756,639.98</u>	<u>\$ 1,170,061.00</u>	<u>\$ 7,926,700.98</u>	<u>\$ 7,734,285.98</u>
Less: Accumulated Depreciation	3,207,578.00	336,791.00	3,544,369.00	3,386,823.00
Net Property, Plant, and Equipment	<u>\$ 3,549,061.98</u>	<u>\$ 833,270.00</u>	<u>\$ 4,382,331.98</u>	<u>\$ 4,347,462.98</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>				
Related to Pension	\$ 54,314.00		\$ 54,314.00	\$ 35,140.00
Total Assets and Deferred Outflows	<u>\$ 5,969,809.07</u>	<u>\$ 939,629.04</u>	<u>\$ 6,909,438.11</u>	<u>\$ 7,019,002.15</u>

## LIABILITIES, DEFERRED INFLOWS, AND NET POSITION

<b>CURRENT LIABILITIES:</b>				
Leases Payable (Note I)	\$ -	\$ -	\$ -	\$ 11,031.49
Notes Payable (Note H)	61,643.67	8,268.31	69,911.98	70,660.54
Accounts Payable - Trade	1,124.95		1,124.95	19,322.17
Accrued Wages (Note J)	40,415.14		40,415.14	46,768.64
Deferred Tax Revenue (Note O)	8,744.77		8,744.77	6,381.04
Accrued Interest	7,480.24	1,538.24	9,018.48	11,258.93
Due To Other Funds	110,291.09		110,291.09	86,035.67
Total Current Liabilities	<u>\$ 229,699.86</u>	<u>\$ 9,806.55</u>	<u>\$ 239,506.41</u>	<u>\$ 251,458.48</u>
<b>LONG-TERM LIABILITIES:</b>				
Pension Liability	\$ 155,983.00	\$ -	\$ 155,983.00	\$ 390,577.00
Notes Payable - Net of Current Portion (Note H)	574,147.34	121,317.31	695,464.65	761,713.08
Total Long-Term Liabilities	<u>\$ 730,130.34</u>	<u>\$ 121,317.31</u>	<u>\$ 851,447.65</u>	<u>\$ 1,152,290.08</u>
Total Liabilities	<u>\$ 959,830.20</u>	<u>\$ 131,123.86</u>	<u>\$ 1,090,954.06</u>	<u>\$ 1,403,748.56</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Related to Pension	\$ 224,244.00	\$ -	\$ 224,244.00	\$ -
<b>NET POSITION:</b>				
Net Invested in Capital Assets	\$ 2,913,270.97	\$ 703,684.38	\$ 3,616,955.35	\$ 3,504,057.87
Restricted for:				
Capital Projects	379,315.28		379,315.28	332,391.57
Other Purposes				272,275.55
Unrestricted	1,493,148.62	104,820.80	1,597,969.42	1,506,528.60
Total Net Position	<u>\$ 4,785,734.87</u>	<u>\$ 808,505.18</u>	<u>\$ 5,594,240.05</u>	<u>\$ 5,615,253.59</u>
Total Liabilities, Deferred Inflows, and Net Position	<u>\$ 5,969,809.07</u>	<u>\$ 939,629.04</u>	<u>\$ 6,909,438.11</u>	<u>\$ 7,019,002.15</u>

TOWN OF BOOTHBAY HARBOR  
STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION			
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS	
						2015	2014
Primary Government:							
Governmental Activities:							
General Government	\$ 773,378.90	\$ 150,548.73	\$ 2,952.00	\$ (619,878.17)	\$ -	\$ (619,878.17)	\$ (468,731.70)
Health, Welfare, and Recreation	699,395.95	61,202.72		(638,193.23)		(638,193.23)	(598,233.45)
Public Works	767,764.28	26,658.00	3,750.00	(737,356.28)		(737,356.28)	(717,850.22)
Community School District	2,547,489.00			(2,547,489.00)		(2,547,489.00)	(2,486,742.00)
Special Assessments	1,044,542.48	2,640.00		(1,041,902.48)		(1,041,902.48)	(1,001,545.03)
Public Safety	1,382,679.83	118,832.60	22,822.00	(1,241,025.23)		(1,241,025.23)	(1,467,880.70)
Interest Expense	32,699.61			(32,699.61)		(32,699.61)	(35,035.51)
Capital Budget	69,959.20			(69,959.20)		(69,959.20)	(15,543.18)
Total Governmental Activities	\$ 7,317,909.25	\$ 359,882.05	\$ 29,524.00	\$ (6,928,503.20)	\$ -	\$ (6,928,503.20)	\$ (6,791,561.79)
Business-Type Activities:							
Fish Pier	44,123.11	45,094.32			971.21	971.21	2,651.59
Total Primary Government	\$ 7,362,032.36	\$ 404,976.37	\$ 29,524.00	\$ (6,928,503.20)	\$ 971.21	\$ (6,927,531.99)	\$ (6,788,910.20)
General Revenues:							
Taxes:							
Property Taxes				\$ 6,517,592.60	\$ -	\$ 6,517,592.60	\$ 6,509,186.11
Homestead and BETE Reimbursement				19,474.76		19,474.76	19,588.24
Excise Taxes				405,044.69		405,044.69	389,857.28
Intergovernmental				42,211.65		42,211.65	46,792.35
Cable Franchise Fees				29,012.33		29,012.33	29,360.92
Loss on Sale of Assets				(137,898.00)		(137,898.00)	(46,850.00)
Interest and Investment Earnings				31,080.42		31,080.42	39,823.49
Total General Revenues				\$ 6,906,518.45	\$ -	\$ 6,906,518.45	\$ 6,987,758.39
Changes in Net Position				\$ (21,984.75)	\$ 971.21	\$ (21,013.54)	\$ 198,848.19
Net Position, July 1				4,807,719.62	807,533.97	5,615,253.59	5,416,405.40
Net Position, June 30				\$ 4,785,734.87	\$ 808,505.18	\$ 5,594,240.05	\$ 5,615,253.59

TOWN OF BOOTHBAY HARBOR  
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES  
TO NET POSITION OF GOVERNMENTAL ACTIVITIES  
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	2015	2014
GOVERNMENTAL FUND BALANCES:		
Restricted for:		
Capital Projects	\$ 379,315.28	\$ 332,391.57
Other Purposes (Schedule A-4)		272,275.55
Unrestricted (Schedule A-3)	1,728,360.53	1,697,673.57
Special Revenue	3,932.05	792.05
	\$ 2,111,607.86	\$ 2,303,132.74
Amounts reported for governmental activities in the Statements of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	3,549,061.98	3,486,773.98
Deferred outflows are deferred as expense in the fund financial statements and in the government-wide financial statements as expense in the year following the year paid.	54,314.00	35,140.00
Notes and leases payable are not due and payable in the current period and therefore are not reported in the funds.	(635,791.01)	(706,108.52)
Compensated absences are accrued when earned, not when paid and are reported in the funds.	(40,415.14)	(46,768.64)
Accrued interest expense for notes payable are not reported in the funds.	(7,480.24)	(9,364.82)
Pension liability is not due and payable in the current period and therefore is not reported in the funds.	(155,983.00)	(390,577.00)
Property taxes not collected within 60 days after year end are deferred as revenue in the fund financial statements. In the government-wide financial statements the revenue is income in the year assessed.	134,664.42	135,491.88
Deferred inflows are deferred revenues related to pension expenses that are amortized in the government-wide financial statements.	(224,244.00)	
Net Position of Governmental Activities (Exhibit A)	\$ 4,785,734.87	\$ 4,807,719.62

TOWN OF BOOTHBAY HARBOR  
RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	2015	2014
Net Changes in Fund Balances - Total Governmental Funds (Exhibit F)	\$ (191,524.88)	\$ 205,936.71
Amounts reported for governmental activities in the Statements of Activities are different because:		
Governmental Funds report capital outlays as expenditures. However, in the Statements of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeds depreciation (depreciation exceeds capital outlays).		
	200,186.00	(12,479.00)
Repayment of loan and lease principal is an expenditure in the governmental funds, but the repayment reduces liabilities in the Statements of Net Position.		
	70,317.50	68,112.19
The sale of assets is recorded as revenue in the governmental funds, but in the Statements of Activities it is reduced by the net book value of the assets sold.		
	(137,898.00)	(39,782.00)
The change in accrual for compensated absences is not recorded in the governmental fund statements.		
	6,353.51	(4,363.62)
The change in accrual for interest is not recorded in the governmental fund statements.		
	1,884.58	2,035.83
Pension expense is adjusted for changes in earnings contributions and contribution subsequent to the measurement date.		
	29,524.00	
Property taxes are deferred in the fund financial statements, but in the government-wide financial statements they are recorded as income the year they are assessed.		
	(827.46)	(16,195.51)
Changes in Net Position of Governmental Activities	\$ (21,984.75)	\$ 203,264.60

TOWN OF BOOTHBAY HARBOR  
BALANCE SHEETS - GOVERNMENTAL FUNDS  
JUNE 30, 2015 AND 2014

	GOVERNMENTAL FUND TYPES			2015 TOTALS	2014 TOTALS
	GENERAL	CAPITAL PROJECTS	SPECIAL REVENUE - SHELLFISH		
<b>ASSETS:</b>					
Cash (Note B)	\$ 1,761,410.99	\$ 379,315.78	\$ -	\$ 2,140,726.77	\$2,330,682.16
Taxes Receivable (Schedule A-8)	124,860.10			124,860.10	9,084.11
Tax Liens (Schedule A-9)	62,588.77			62,588.77	156,230.07
Accounts Receivable	11,150.00			11,150.00	7,730.24
Due From Other Funds			3,932.05	3,932.05	766,846.08
Prepaid Expenses	23,175.40			23,175.40	46,636.92
Total Assets	<u>\$ 1,983,185.26</u>	<u>\$ 379,315.78</u>	<u>\$ 3,932.05</u>	<u>\$ 2,366,433.09</u>	<u>\$3,317,209.58</u>
<b>LIABILITIES, RESERVES, AND FUND BALANCE:</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ 1,124.95	\$ -	\$ -	\$ 1,124.95	\$ 19,322.17
Due To Other Funds	110,290.59	0.50		110,291.09	852,881.75
Total Liabilities	<u>\$ 111,415.54</u>	<u>\$ 0.50</u>	<u>\$ -</u>	<u>\$ 111,416.04</u>	<u>\$ 872,203.92</u>
<b>Reserves:</b>					
Deferred Tax Revenue (Note D)	\$ 143,409.19	\$ -	\$ -	\$ 143,409.19	\$ 141,872.92
<b>Fund Equity:</b>					
Committed for Capital Projects	\$ -	\$ 379,315.28	\$ -	\$ 379,315.28	\$ 332,391.57
Assigned for Other Purposes					272,275.55
Unassigned	1,728,360.53		3,932.05	1,732,292.58	1,698,465.62
Total Fund Balance	<u>\$ 1,728,360.53</u>	<u>\$ 379,315.28</u>	<u>\$ 3,932.05</u>	<u>\$ 2,111,607.86</u>	<u>\$2,303,132.74</u>
Total Liabilities, Reserves, and Fund Balance	<u>\$ 1,983,185.26</u>	<u>\$ 379,315.78</u>	<u>\$ 3,932.05</u>	<u>\$ 2,366,433.09</u>	<u>\$3,317,209.58</u>

TOWN OF BOOTHBAY HARBOR  
 STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES - GOVERNMENTAL FUNDS  
 FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	GOVERNMENTAL FUNDS				
	GENERAL	CAPITAL PROJECTS	SPECIAL REVENUE - SHELLFISH	2015 TOTALS	2014 TOTALS
<b>REVENUES:</b>					
State Revenue Sharing	\$ 42,211.65	\$ -	\$ -	\$ 42,211.65	\$ 46,792.35
Homestead Reimbursement	18,857.76			18,857.76	19,588.24
BETE Reimbursement	617.00			617.00	1,827.00
Property Taxes	6,518,420.06			6,518,420.06	6,525,381.62
Excise Tax (Auto and Boat)	405,044.69			405,044.69	389,857.28
General Government	321,118.54	17,370.00		338,488.54	388,300.99
Health, Welfare, and Recreation	8,743.96	19,131.66	8,185.00	36,060.62	40,536.75
Interest and Debt Service	30,538.84	541.58		31,080.42	39,823.49
Special Assessments	2,640.00			2,640.00	2,640.00
Public Safety	11,705.22			11,705.22	2,804.52
<b>Total Revenues</b>	<b>\$ 7,359,897.72</b>	<b>\$ 37,043.24</b>	<b>\$ 8,185.00</b>	<b>\$ 7,405,125.96</b>	<b>\$ 7,457,552.24</b>
<b>EXPENDITURES:</b>					
Education	\$ 2,547,489.00	\$ -	\$ -	\$ 2,547,489.00	\$ 2,486,742.00
General Government	734,077.41			734,077.41	657,258.22
Public Works	798,328.00			798,328.00	751,352.76
Public Safety	1,445,758.74			1,445,758.74	1,418,722.11
Health, Welfare, and Recreation	655,314.95	19,000.00	5,045.00	679,359.95	639,344.20
Bayville/Isle of Springs Assessments	85,588.95			85,588.95	89,289.31
Special Assessments - County Tax	908,837.61			908,837.61	867,276.72
Special Assessments - Other	50,115.92			50,115.92	47,619.00
Debt Service	91,985.63			91,985.63	92,681.60
Capital Budget	254,742.07	367.56		255,109.63	201,329.61
<b>Total Expenditures</b>	<b>\$ 7,572,238.28</b>	<b>\$ 19,367.56</b>	<b>\$ 5,045.00</b>	<b>\$ 7,596,650.84</b>	<b>\$ 7,251,615.53</b>
Excess of Revenues Over (Under) Expenditures	\$ (212,340.56)	\$ 17,675.68	\$ 3,140.00	\$ (191,524.88)	\$ 205,936.71
<b>OTHER FINANCING SOURCES (USES):</b>					
Operating Transfers - In	\$ 35,751.97	\$ 65,000.00	\$ -	\$ 100,751.97	\$ 156,600.73
Operating Transfers - Out	(65,000.00)	(35,751.97)		(100,751.97)	(156,600.73)
<b>Total Other Financing Sources (Uses)</b>	<b>\$ (29,248.03)</b>	<b>\$ 29,248.03</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ (241,588.59)	\$ 46,923.71	\$ 3,140.00	\$ (191,524.88)	\$ 205,936.71
Fund Balance, July 1	1,969,949.12	332,391.57	792.05	2,303,132.74	2,097,196.03
Fund Balance, June 30	<b>\$ 1,728,360.53</b>	<b>\$ 379,315.28</b>	<b>\$ 3,932.05</b>	<b>\$ 2,111,607.86</b>	<b>\$ 2,303,132.74</b>

TOWN OF BOOTHBAY HARBOR  
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
PROPRIETARY FUND - FISH PIER  
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
REVENUES:		
Rental Income	\$ 45,094.32	\$ 38,578.63
EXPENDITURES:		
Interest Expense	\$ 6,722.25	\$ 7,072.80
Depreciation Expense	27,419.00	19,888.00
Licenses and Service Agreements	1,993.74	1,800.74
Repairs and Maintenance	4,030.55	1,189.91
Miscellaneous	3,957.57	5,975.59
Loss on Disposal of Assets		7,068.00
Total Expenditures	<u>\$ 44,123.11</u>	<u>\$ 42,995.04</u>
Excess of Revenues Over (Under) Expenditures	\$ 971.21	\$ (4,416.41)
Net Position, July 1	807,533.97	811,950.38
Net Position, June 30	<u><u>\$ 808,505.18</u></u>	<u><u>\$ 807,533.97</u></u>

Exhibit H

STATEMENTS OF CASH FLOWS  
PROPRIETARY FUND - FISH PIER  
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from Customers and Users	\$ 45,094.32	\$ 38,578.63
Payments to Suppliers	(9,981.86)	(42,743.24)
Cash Flows Provided by (Used in) Operating Activities	<u>\$ 35,112.46</u>	<u>\$ (4,164.61)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Interest Payments on Long-Term Debt	\$ (7,078.12)	\$ (7,465.80)
Principal Payments on Long-Term Debt	(7,710.97)	(7,323.29)
Funds Held in General Fund	(20,323.37)	304,865.70
Capital Improvements		(285,912.00)
Cash Flows Provided by (Used in) Capital and Related Financing Activities	<u>\$ (35,112.46)</u>	<u>\$ 4,164.61</u>
Change in Cash	<u>\$ -</u>	<u>\$ -</u>
Cash Balance, July 1	<u>-</u>	<u>-</u>
Cash Balance, June 30	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

TOWN OF BOOTHBAY HARBOR  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies of the Town of Boothbay Harbor conform to generally accepted accounting principles as applicable to governmental units.

1. Financial Reporting Entity

The Town of Boothbay Harbor was incorporated in 1764. The Town operates under a town meeting form of government. Major services provided by the Town are public safety, public works, administrative services, and code enforcement.

In evaluating the Town of Boothbay Harbor as a reporting entity, management has addressed all potential component units. The primary criteria for including a component reporting entity are the exercise of financial accountability by the Town of Boothbay Harbor's municipal officials.

The Town's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is responsible for establishing Generally Accepted Accounting Principles (GAAP) for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. The more significant accounting policies established in GAAP are used by the Town as discussed below.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. Certain significant changes in the Statement include the following:

1. Financial statements now include:
  - A Management's Discussion and Analysis (MD&A) section providing an analysis of the Town's overall financial position and results of operations.
  - Financial statements prepared using full accrual accounting for all of the Town's activities, including infrastructure (roads, bridges, etc.).
2. A change in the fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements (including notes to financial statements).

2. Basic Financial Statements - Government-Wide Statements

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds). Both the government-wide and fund financial statements categorize primary activities as governmental. The Town's public safety, recreation, public works, and general administrative services are classified as governmental activities.



TOWN OF BOOTHBAY HARBOR  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

2. Basic Financial Statements - Government-Wide Statements (Cont'd)

In the government-wide Statements of Net Position, the governmental column is presented on a consolidated basis by column, and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Town's net position is reported in three parts - net-invested in capital assets: restricted; and unrestricted. The Town first utilizes restricted resources to finance qualifying activities.

The government-wide Statements of Activities reports both the gross and net cost of each of the Town's functions and business-type activities (public safety, public works, administrative, etc.). The functions are also supported by general government revenues (property, certain intergovernmental revenues, fines, permits, and charges, etc.). The Statements of Activities reduces gross expenses (including depreciation) by related program revenues, and operating and capital grants. Program revenues must be directly associated with the function (public safety, public works, etc.). Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property, intergovernmental revenues, interest income, etc.).

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

3. Basic Financial Statements - Fund Financial Statements

The financial transactions of the Town are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues, and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the Town:

a. Governmental Funds:

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

1. General Fund:

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

TOWN OF BOOTHBAY HARBOR  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

3. Basic Financial Statements - Fund Financial Statements (Cont'd)

a. Governmental Funds (cont'd):

2. Capital Projects Funds:

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

3. Proprietary Funds:

The Proprietary Fund is the fund used to account for all financial resources relating to the Fish Pier. The generally accepted accounting principles applicable are those similar to business in the private sector.

4. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied:

a. Accrual:

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

b. Modified Accrual:

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e. both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

5. Financial Statement Amounts

a. Cash and Cash Equivalents:

The Town has defined cash and cash equivalents to include cash on hand, demand deposits, and cash with fiscal agent. Statutes authorize the Treasurer of the Town, as directed by the municipal officers, to invest all municipal funds, including reserve and trust funds, to the extent that the terms of the instrument, order, or article creating the fund do not prohibit the investment in financial institutions as described in Section 5706 MRSA and securities as described in Sections 5711 through 5717 MRSA.

TOWN OF BOOTHBAY HARBOR  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

5. Financial Statement Amounts (Cont'd)

b. Capital Assets:

Capital assets purchased or acquired with an original cost of \$5,000.00 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	40 Years
Equipment	5-10 Years
Improvements	20 Years
Vehicles	5-15 Years

c. Revenues:

Substantially, all governmental fund revenues are accrued. Property taxes are billed and collected within the same period in which the taxes are levied. In applying GASB No. 33 to grant revenues, the provider recognizes liabilities and expenses and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and deferred revenue by the recipient.

d. Expenditures:

Expenditures are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period purchased.

e. Compensated Absences:

The Town accrues accumulated unpaid vacation and sick leave and associated employee-related costs when earned (or estimated to be earned) by the employee. The non-current portion (the amount estimated to be used in subsequent fiscal years) for governmental funds is maintained separately and represents a reconciling item between the fund and government-wide presentations.

TOWN OF BOOTHBAY HARBOR  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

5. Financial Statement Amounts (Cont'd)

f. Deferred Inflows and Outflows of Resources:

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until that time. The deferred outflows relate to the net pension liability, which include the Town's contributions subsequent to the measurement date, which is recognized as a reduction of the net pension liability in the subsequent year. They also include changes in assumptions, differences between expected and actual experience, and changes in proportion and differences between Town contributions and proportionate share of contributions, which are deferred and amortized over the average expected remaining service lives of active and inactive members in the plan.

In addition to liabilities, the statement of net 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 deferred inflows relate to the net pension liability, which include the differences between expected and actual experience and changes in proportion and differences between Town contributions and proportionate share of contributions, which is deferred and amortized over the average expected remaining service lives of active and inactive members in the plan. They also include the net difference between projected and actual earnings on pension plan investments, which is deferred and amortized over a five-year period.

g. Pensions:

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Maine Public Employees Retirement System Consolidated Plan for Participating Local Districts (PLD Plan) additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

h. Use of Estimates:

The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

TOWN OF BOOTHBAY HARBOR  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

5. Financial Statement Amounts (Cont'd)

i. Fund Balance:

In accordance with GASB Statement No. 54, the Town employed new terminology and classifications for fund balance items during the fiscal year ending June 30, 2011.

Committed fund balances are amounts that can be used only for specific purposes because of a formal action taken by town government. The fund balances in the Capital Projects Fund are in this category.

Assigned fund balances are amounts that the Town intends to use for specific purposes. The Board of Selectmen approved carryovers are included in assigned fund balances.

Unassigned fund balances are all amounts in the General Fund that are not assigned to another category. Only the General Fund can have an unassigned fund balance.

NOTE B - CASH AND CASH EQUIVALENTS:

At year-end the carrying amount of the Town's deposits (checking, certificates of deposit, and savings accounts) was \$2,140,726.77 and the bank balance was \$2,246,298.98. Of the bank balance, \$250,000.00 was covered by federal depository insurance, and \$1,996,298.98 was collateralized. There were no uninsured bank balances.

NOTE C - GENERAL FUND BUDGET:

The Town operates on a net budget as compared with a gross budget. All revenues are not estimated, but are credited to the particular operating account. Certain revenues are dedicated for particular purposes by vote of the townspeople at the annual town meeting or at special town meetings.

At the annual town meeting, held in May, the townspeople vote on various articles, on which amounts for appropriations have been recommended by the Board of Selectmen, Town Manager, or Budget Committee.

NOTE D - REVENUE RECOGNITION - PROPERTY TAXES:

The Town's property tax for the current year was levied August 17, 2014 on the assessed value listed as of April 1, 2014 for all real and personal property located in the Town. One half of the total tax was due September 12, 2014 with the balance due March 13, 2015. Interest of 7.0% was charged on delinquent taxes on the unpaid portion of one-half of the tax bill not paid on or before September 13, 2014, and on the entire portion not paid on or before March 14, 2015.

The National Council on Governmental Accounting (N.C.G.A.) Interpretation No. 3 requires that property tax revenue be recognized only to the extent it will be collected within 60 days following the year end. The deferred tax revenue shown on the balance sheet represents property taxes not expected to be collected within sixty days after the year end.

TOWN OF BOOTHBAY HARBOR  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE D - REVENUE RECOGNITION - PROPERTY TAXES (CONT'D):

Property taxes are recognized when they become available. Available includes those taxes expected to be collected within sixty days after the year end as stated above. Delinquent taxes are considered fully collectible and therefore no allowance for uncollectible taxes is provided.

NOTE E - PENSION PLAN - DEFINED BENEFITS:

The Town of Boothbay Harbor offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan, available to all Town employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until their termination, retirement, death, or unforeseeable emergency.

NOTE F - PROPERTY, PLANT, AND EQUIPMENT:

The following is a summary of changes in fixed assets at June 30, 2015:

	BALANCE JULY 1, 2014	ADDITIONS	DISPOSALS	BALANCE JUNE 30, 2015
<b>General Government:</b>				
Land	\$ 1,664,299.00	\$	\$ (137,898.00)	\$ 1,526,401.00
Buildings	1,956,460.00	173,523.00		2,129,983.00
Improvements	862,143.03			862,143.03
Vehicles	1,463,467.95	64,133.00	(69,343.00)	1,458,257.95
Equipment	617,855.00	162,000.00		779,855.00
Total Property, Plant, and Equipment	<u>\$ 6,564,224.98</u>	<u>\$ 399,656.00</u>	<u>\$ (207,241.00)</u>	<u>\$ 6,756,639.98</u>
Accumulated Depreciation	(3,077,451.00)	(199,470.00)	69,343.00	(3,207,578.00)
Net Property, Plant, and Equipment	<u>\$ 3,486,773.98</u>	<u>\$ 200,186.00</u>	<u>\$ (137,898.00)</u>	<u>\$ 3,549,061.98</u>
	BALANCE JULY 1, 2014	ADDITIONS	DISPOSALS	BALANCE JUNE 30, 2015
<b>Business-Type Activities:</b>				
Land	\$ 249,832.00	\$	\$	\$ 249,832.00
Buildings	360,653.00			360,653.00
Improvements	559,576.00			559,576.00
Total Property, Plant, and Equipment	<u>\$ 1,170,061.00</u>	<u>\$</u>	<u>\$</u>	<u>\$ 1,170,061.00</u>
Accumulated Depreciation	(309,372.00)	(27,419.00)		(336,791.00)
Net Property, Plant, and Equipment	<u>\$ 860,689.00</u>	<u>\$ (27,419.00)</u>	<u>\$</u>	<u>\$ 833,270.00</u>

Depreciation expense for the period totaled \$226,889.00. Of that amount, \$38,330.00 was administration, \$87,559.00 was public works, \$53,545.00 was public safety, \$20,036.00 was health, welfare, and recreation, and \$27,419.00 was for the fish pier.

TOWN OF BOOTHBAY HARBOR  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE G - EXPENDITURES AND REVENUES IN EXCESS OF APPROPRIATIONS:

During the year expenditures and revenues exceeded total appropriations in the following general fund categories:

FUNCTION	APPROPRIATION AND REVENUE	EXPENDITURES AND REVENUES	VARIANCE
Expenditures:			
Administration	\$ 135,310.00	\$ 136,993.13	\$ (1,683.13)
Contracted Services	\$ 55,000.00	\$ 115,846.67	\$ (60,846.67)
Employee Benefits	\$ 2,200.00	\$ 2,650.00	\$ (450.00)
Selectmen	\$ 22,173.00	\$ 24,851.48	\$ (2,678.48)
Pump Out Boats	\$	\$ 6,150.00	\$ (6,150.00)
Winter Operations	\$ 106,665.00	\$ 140,455.32	\$ (33,790.32)
Support Organizations	\$ 33,784.00	\$ 35,115.92	\$ (1,331.92)
Parking Facilities	\$ 35,512.00	\$ 36,428.96	\$ (916.96)
Street Light	\$ 45,000.00	\$ 50,516.51	\$ (5,516.51)
Equipment	\$ 10,100.00	\$ 69,591.74	\$ (59,491.74)
Revenues:			
State Revenue Sharing	\$ 65,000.00	\$ 42,211.65	\$ (22,788.35)
Code Enforcement	\$ 31,000.00	\$ 30,420.98	\$ (579.02)
Interest	\$ 31,200.00	\$ 30,538.84	\$ (661.16)
Public Safety	\$ 1,700.00	\$ 647.00	\$ (1,053.00)
Parking Fines	\$ 10,000.00	\$ 7,356.00	\$ (2,644.00)
Public Works	\$ 36,032.00	\$ 26,658.00	\$ (9,374.00)
Parks and Recreation	\$ 900.00	\$ 650.00	\$ (250.00)
Homestead and BETE Reimbursement	\$ 19,474.81	\$ 19,474.76	\$ (0.05)

The overdrafts are the result of expenditures exceeding budgeted amounts and revenues not meeting budgeted figures.

NOTE H - NOTE AND LOANS PAYABLE:

The following is a summary of debt transactions for the year:

	BALANCE JULY 1, 2014	ADDITIONS	REDUCTIONS	BALANCE JUNE 30, 2015
The First:				
Fire Truck Loan	\$ 106,706.63	\$	\$ 26,667.67	\$ 80,038.96
Refinance Loan	725,666.99		40,329.32	685,337.67
	<u>\$ 832,373.62</u>	<u>\$</u>	<u>\$ 66,996.99</u>	<u>\$ 765,376.63</u>

TOWN OF BOOTHBAY HARBOR  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE H - NOTE AND LOANS PAYABLE (CONT'D):

Fire Truck Loan:

This loan is an installment note with principal and interest payments due annually. Interest is fixed at 2.56% with annual principal payments of \$26,666.67 for a term of fifteen years.

Refinance Loan:

This loan is an installment note with forty semi-annual principal and interest payments of \$38,674.40. Interest is fixed at 5.13% for the life of the loan. The proceeds from this loan refinanced existing debt for the Parking Facility, The Fish Pier, and the Public Works Garage.

The annual requirements to amortize the note and loans are as follows:

<u>FISCAL YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2016	\$ 69,911.98	\$ 36,177.70	\$ 106,089.68
2017	72,158.87	31,971.46	104,130.33
2018	74,558.44	29,551.03	104,109.47
2019	50,341.26	27,007.54	77,348.80
2020	52,956.89	24,391.91	77,348.80
2021-2025	309,030.42	77,713.58	386,744.00
2026-2030	136,418.77	7,438.87	143,857.64
	<u>\$ 765,376.63</u>	<u>\$ 234,252.09</u>	<u>\$ 999,628.72</u>

NOTE I - LEASES:

The following is a summary of leasing transactions for the year:

	<u>BALANCE</u> <u>JULY 1, 2014</u>	<u>ADDITIONS</u>	<u>REDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2015</u>
Gorham Savings:				
Hitachi Excavator and Trailer	\$ 11,031.49	\$	\$ 11,031.49	\$

NOTE J - COMPENSATED ABSENCES:

As of June 30, 2015, the accrued salaries due for hours worked in the 2015 fiscal year was \$24,043.68. The accrued sick time was \$40,415.14. The amount expected to be paid from current resources is not significant.

NOTE K - RISK MANAGEMENT:

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. All significant losses are covered by commercial insurance. There has been no significant reduction in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.



TOWN OF BOOTHBAY HARBOR  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE L - OVERLAPPING DEBT:

The Town of Boothbay Harbor is situated in Lincoln County and is therefore subject to annual assessment of its proportional share of county expenses. Long-term debt outstanding in Lincoln County for which the Town of Boothbay Harbor would be proportionally responsible in the event the County defaulted amounted to \$6,790,000.00 at December 31, 2014. The Town of Boothbay Harbor's share would be approximately 10.44% of the debt, or approximately \$708,876.00.

The Town of Boothbay Harbor participates in the Boothbay-Boothbay Harbor CSD and is therefore subject to annual assessment of its proportional share of school expenses. Long-term debt outstanding in Boothbay-Boothbay Harbor CSD for which the Town of Boothbay Harbor would be proportionally responsible in the event the school defaulted amounted to \$857,010.00 at June 30, 2015. The Town of Boothbay Harbor's share would be 32.29% of the debt, or approximately \$276,729.00.

NOTE M - INTEREST COSTS INCURRED:

During the current year the Town incurred interest costs totaling \$40,373.67, which was charged as an expense to public safety for \$2,758.25, public works for \$30,537.30 and fish pier for \$7,078.12.

NOTE N - MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM:

***General Information about the Pension Plan***

**Plan description** – Employees of the Town are provided with pensions through the Maine Public Employees Retirement System Consolidated Plan for Local Participating Districts (PLD Plan), a cost-sharing multiple-employer defined benefit pension plan, administered by the Maine Public Employers Retirement System (MPERS). Benefit terms are established in Maine statute. MPERS issues a publicly available financial report that can be obtained at [www.maineopers.org](http://www.maineopers.org)

**Benefits provided** - The PLD Plan provides defined retirement benefits based on members' average final compensation and service credit earned as of retirement. Vesting (i.e. eligibility for benefits upon reaching qualification) occurs upon the earning of five years of service credit. In some cases, vesting occurs on the earning of one year of service credit immediately preceding retirement at or after normal retirement age. For PLD members, normal retirement age is 60 (65 for new members to the PLD Plan on or after July 1, 2014). The normal retirement age is determined by whether a member had met certain creditable service requirements on specific dates, as established by statute. The monthly benefit of members who retire before normal retirement age by virtue of having at least 25 years of service credit is reduced by a statutorily prescribed factor for each year of age that a member is below her/his normal retirement age at retirement. MPERS also provides disability and death benefits, which are established by contract under applicable statutory provisions (PLD Plan).

TOWN OF BOOTHBAY HARBOR  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE N - MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM (CONT'D):

**General Information about the Pension Plan (Cont'd)**

**Contributions** - Employee contribution rates are defined by law or Board rule and depend on the terms of the plan under which an employee is covered. Employer contributions are determined by actuarial valuations. The contractually required contribution rates are actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

**PLD Plan** - Employees are required to contribute 7.0% to 8.5% of their annual pay. The Town's contractually required contribution rate for the year ended June 30, 2015, was 7.8% of annual payroll for the regular plan and 13.4% of annual payroll for the special plan. Contributions to the pension plan from the Town were \$34,727.00 for the year ended June 30, 2015.

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

The net pension liabilities were measured as of June 30, 2014, and the total pension liabilities used to calculate the net pension liabilities were determined by actuarial valuations as of that date. The Town's proportion of the net pension liabilities were based on projections of the Town's long-term share of contributions to the pension plans relative to the projected contributions of all participating local districts (PLD Plan), actuarially determined.

**PLD Plan** - At June 30, 2015, the Town reported a liability of \$155,983.00 for its proportionate share of the net pension liability. At June 30, 2014, the Town's proportion of the PLD Plan was 0.1014%.

For the year ended June 30, 2015, the Town recognized pension gain of \$29,524.00 for the PLD Plan. At June 30, 2015, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 19,587.00	\$
Net difference between projected and actual earnings on pension plan investments		165,664.00
Changes in proportion and differences between Town contributions and proportionate share of contributions		58,500.00
Town contributions subsequent to the measurement date	34,727.00	
<b>Total</b>	<b>\$ 54,314.00</b>	<b>\$ 224,164.00</b>

TOWN OF BOOTHBAY HARBOR  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE N - MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM (CONT'D):

***Pension Liabilities, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources Related to Pensions (Cont'd)***

\$34,727.00 is reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liabilities in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**Year ended June 30:**

2016	\$ (54,414.00)
2017	(54,414.00)
2018	(54,413.00)
2019	(41,416.00)

**Actuarial assumptions** - The total pension liability in the June 30, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<b><u>PLD Plan</u></b>
Inflation	3.5%
Salary Increases, per year	3.5% to 10.5%
Investment return, per annum, compounded annually	7.25%
Cost of living benefit increases, per annum	3.12%

Mortality rates were based on the RP2000 Combined Mortality Table projected forward to 2015 using Scale AA.

The actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2005 to June 30, 2010.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2014 are summarized in the following table:

<b><u>Asset Class</u></b>	<b><u>Target Allocation</u></b>	<b><u>Long-Term Expected Real Rate of Return</u></b>
US equities	20%	2.5%
Non-US equities	20%	5.5%
Private equity	10%	7.6%
Real estate	10%	3.7%
Infrastructure	10%	4.0%
Hard assets	5%	4.8%
Fixed income	25%	0.0%
Total	100%	

TOWN OF BOOTHBAY HARBOR  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2015

NOTE N - MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM (CONT'D):

***Pension Liabilities, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources Related to Pensions (Cont'd)***

**Discount rate** - The discount rate used to measure the total pension liability was 7.25% for the PLD Plan. The projection of cash flows used to determine the discount rates assumed that employee contributions will be made at the current contribution rate and that contributions from participating local districts will be made at contractually required rates, actuarially determined. Based on these assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liabilities.

**Sensitivity of the Town of Boothbay Harbor's proportionate share of the net pension liabilities to changes in the discount rate** - The following presents the Town of Boothbay Harbor's proportionate share of the net pension liability calculated using the discount rate of 7.25% for the PLD Plan as well as what the Town of Boothbay Harbor's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25% for PLD Plan) or 1 percentage-point higher (8.25% for PLD Plan) than the current rate:

<u>PLD Plan</u>	<b>1% Decrease (6.25%)</b>	<b>Current Discount Rate (7.25%)</b>	<b>1% Increase (8.25%)</b>
Town's proportionate share of the net pension liability	\$486,622.00	\$155,983.00	(\$120,389.00)

**Pension plan fiduciary net position** - Detailed information about the pension plan's fiduciary net position is available in the separately issued MPERS financial report.

**Payables to the pension plan** - None as of June 30, 2015.

NOTE O - DEFERRED REVENUE:

Deferred Revenue at June 30, 2015 consists of the following:

Prepaid 2015 Taxes \$8,744.77

NOTE P - NEW PRONOUNCEMENTS AND RESTATEMENT OF NET POSITION:

For the fiscal year ended June 30, 2015, the Town has elected to implement Statement No. 68 of the Governmental Accounting Standards Board – *Accounting and Financial Reporting for Pensions*, an amendment of GASB Statement No. 27. As a result of implementing GASB Statement No. 68, the Town has restated beginning net position in the government-wide statement of net position to account for the addition of the Town's proportionate share of the net pension liability of \$390,577.00 and deferred outflows for the Town's contributions subsequent to the measurement date of \$35,140.00, which effectively decreased the Town's net position as of July 1, 2014 by \$355,437.00.

TOWN OF BOOTHBAY HARBOR  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE Q - SUBSEQUENT EVENTS:

As of October 23, 2015, management has reviewed events after June 30, 2015 and there were no material subsequent events requiring disclosure.

TOWN OF BOOTHBAY HARBOR  
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2015

	ORIGINAL AND FINAL BUDGET	ACTUAL
<b>REVENUES:</b>		
State Revenue Sharing	\$ 65,000.00	\$ 42,211.65
Homestead Reimbursement	18,857.87	18,857.76
BETE Reimbursement	616.94	617.00
Property Taxes	6,524,122.19	6,518,420.06
Excise Tax	336,745.00	405,044.69
General Government	327,096.00	321,118.54
Health, Welfare, and Recreation	28,900.00	8,743.96
Interest	31,200.00	30,538.84
Special Assessments	2,640.00	2,640.00
Public Safety	2,719.00	11,705.22
<b>Total Revenues</b>	<b>\$7,337,897.00</b>	<b>\$7,359,897.72</b>
<b>EXPENDITURES:</b>		
General Government	\$ 699,932.00	\$ 734,077.41
Health, Welfare, and Recreation	647,025.00	655,314.95
Public Works	885,142.00	798,328.00
Bayville/Isle of Springs	90,000.00	85,588.95
Community School District	2,547,489.50	2,547,489.00
Special Assessments - County Tax	908,838.00	908,837.61
Special Assessments - Miscellaneous	48,784.00	50,115.92
Public Safety	1,542,670.00	1,445,758.74
Debt Service	108,300.00	91,985.63
Capital Budget	32,000.00	254,742.07
<b>Total Expenditures</b>	<b>\$7,510,180.50</b>	<b>\$7,572,238.28</b>
<b>Excess of Expenditures Over Revenues</b>	<b>\$ (172,283.50)</b>	<b>\$ (212,340.56)</b>
<b>OTHER FINANCING SOURCES (USES):</b>		
Operating Transfers - In	\$ -	\$ 35,751.97
Operating Transfers - Out	(65,000.00)	(65,000.00)
<b>Total Other Financing Sources (Uses)</b>	<b>\$ (65,000.00)</b>	<b>\$ (29,248.03)</b>
<b>Excess of Expenditures and Other Uses Over Revenues and Other Sources</b>	<b>\$ (237,283.50)</b>	<b>\$ (241,588.59)</b>
Fund Balance, July 1, 2014	1,969,949.12	1,969,949.12
<b>Fund Balance, June 30, 2015</b>	<b>\$1,732,665.62</b>	<b>\$1,728,360.53</b>

TOWN OF BOOTHBAY HARBOR  
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015

Cash Balance, July 1, 2014		\$ 1,996,310.59
<b>ADD: CASH RECEIPTS:</b>		
Tax Collections:		
Current Year	\$ 6,395,709.99	
Prior Year	<u>96,354.70</u>	
		\$ 6,492,064.69
Departmental (Schedule A-4)	777,720.25	
Prepaid Taxes	8,744.77	
Revenue Sharing	42,211.65	
Homestead Reimbursement	9,794.00	
BETE Reimbursement	617.00	
Fish Pier Revenue	45,094.32	
Shellfish Revenue	8,185.00	
Accounts Receivable - Prior Year	7,715.00	
Capital Reserves Receipts	37,731.97	
Due From Capital Reserve	<u>0.50</u>	
Total Cash Receipts		<u>7,429,879.15</u>
Total Cash Available		\$ 9,426,189.74
 <b>LESS: CASH DISBURSEMENTS:</b>		
Departmental (Schedule A-4)	\$ 7,527,490.18	
Accounts Payable - Prior Year	19,322.17	
Prepaid Expenses	18,757.00	
Transfer to Capital Reserves	65,000.00	
Fish Pier Expenses	9,981.86	
Fish Pier Accounts Payable	14,789.09	
Shellfish Expenses	<u>9,438.45</u>	
Total Cash Disbursements		<u>7,664,778.75</u>
Cash Balance, June 30, 2015 (Schedule A-6)		<u><u>\$ 1,761,410.99</u></u>

TOWN OF BOOTHBAY HARBOR  
STATEMENT OF CHANGES IN UNAPPROPRIATED SURPLUS  
FOR THE YEAR ENDED JUNE 30, 2015

Unappropriated Surplus, July 1, 2014		\$ 1,697,673.57
INCREASE:		
Operating Account Balances Lapsed (Schedule A-4)	\$ 279,859.50	
Decrease in Deferred Tax Revenue	<u>827.46</u>	
		280,686.96
DECREASE:		
Appropriated at Town Meeting		250,000.00
Unappropriated Surplus, June 30, 2015		<u><u>\$ 1,728,360.53</u></u>



TOWN OF BOOTHBAY HARBOR  
STATEMENT OF DEPARTMENTAL OPERATIONS  
FOR THE YEAR ENDED JUNE 30, 2015

	BALANCE FORWARD 7/1/14	APPROPRIATIONS	CASH RECEIPTS	OTHER CREDITS	TOTAL	CASH DISBURSED	OTHER CHARGES	TOTAL	UNEXPENDED (OVERDRAFT)	BALANCE FORWARD 6/30/15
<b>GENERAL GOVERNMENT:</b>										
Administration	\$ -	\$ 135,310.00	\$ -	\$ -	\$ 135,310.00	\$ 136,266.13	\$ 727.00	\$ 136,993.13	\$ (1,683.13)	\$ -
Assessors		49,065.00			49,065.00	35,367.73		35,367.73	13,697.27	
Contracted Services		55,000.00			55,000.00	115,846.67		115,846.67	(60,846.67)	
Supplemental Membership/Flex Account		2,200.00			2,200.00	2,650.00		2,650.00	(450.00)	
Finance		96,866.00			96,866.00	95,007.33	1,675.00	96,682.33	183.67	
Insurance		90,500.00			90,500.00	74,857.62		74,857.62	15,642.38	
Meetings		11,178.00			11,178.00	10,475.59		10,475.59	702.41	
Municipal Buildings and Vehicles		80,237.00			80,237.00	74,172.59		74,172.59	6,064.41	
Selectmen		15,253.00	6,920.00		22,173.00	24,851.48		24,851.48	(2,678.48)	
Town Clerk		68,538.00			68,538.00	64,889.95	1,675.00	66,564.95	1,973.05	
Town Manager		95,785.00			95,785.00	94,888.32	727.00	95,615.32	169.68	
	\$ -	\$ 699,932.00	\$ 6,920.00	\$ -	\$ 706,852.00	\$ 729,273.41	\$ 4,804.00	\$ 734,077.41	\$ (27,225.41)	\$ -
<b>GOVERNMENTAL REVENUES:</b>										
Excise Taxes	\$ -	\$ -	\$ 405,044.69	\$ -	\$ 405,044.69	\$ -	\$ 367,945.00	\$ 367,945.00	\$ 37,099.69	\$ -
State Revenue Sharing				42,211.65	42,211.65		65,000.00	65,000.00	(22,788.35)	
Miscellaneous Revenue			44,916.75	5,465.96	50,382.71		28,985.00	28,985.00	21,397.71	
Code Enforcement			30,420.98		30,420.98		31,000.00	31,000.00	(579.02)	
Interest			30,538.84		30,538.84		31,200.00	31,200.00	(661.16)	
Cable TV Fees			29,012.33		29,012.33		28,029.00	28,029.00	983.33	
Public Safety			647.00		647.00		1,700.00	1,700.00	(1,053.00)	
Parking Fees			99,124.11		99,124.11		90,800.00	90,800.00	8,324.11	
Parking Fines			7,356.00		7,356.00		10,000.00	10,000.00	(2,644.00)	
Public Works			26,658.00		26,658.00		36,032.00	36,032.00	(9,374.00)	
Harbor Management			48,200.00		48,200.00		47,150.00	47,150.00	1,050.00	
Licenses and Permits			25,142.10		25,142.10		21,300.00	21,300.00	3,842.10	
Parks and Recreation			650.00		650.00		900.00	900.00	(250.00)	
Homestead Reimbursement/BETE Reimbursement				19,474.76	19,474.76		19,474.81	19,474.81	(0.05)	
	\$ -	\$ -	\$ 747,710.80	\$ 67,152.37	\$ 814,863.17	\$ -	\$ 779,515.81	\$ 779,515.81	\$ 35,347.36	\$ -
<b>HEALTH, WELFARE, AND RECREATION:</b>										
Ambulance Service	\$ 34,107.00	\$ 134,380.00	\$ -	\$ -	\$ 168,487.00	\$ 168,487.00	\$ -	\$ 168,487.00	\$ -	\$ -
District Nurse		28,254.00			28,254.00	28,254.00		28,254.00		
Fireworks		3,000.00			3,000.00	3,000.00		3,000.00		
Harbor Lights Festival		2,400.00			2,400.00	2,400.00		2,400.00		
Memorial Day		500.00			500.00	500.00		500.00		
Memorial Library		45,000.00			45,000.00	45,000.00		45,000.00		
Sanitation		387,991.00			387,991.00	387,991.00		387,991.00		
Pump Out Boats							6,150.00	6,150.00	(6,150.00)	
General Assistance		45,500.00	8,743.96		54,243.96	19,682.95	22,750.00	42,432.95	11,811.01	
	\$ 34,107.00	\$ 647,025.00	\$ 8,743.96	\$ -	\$ 689,875.96	\$ 655,314.95	\$ 28,900.00	\$ 684,214.95	\$ 5,661.01	\$ -

TOWN OF BOOTHBAY HARBOR  
STATEMENT OF DEPARTMENTAL OPERATIONS  
FOR THE YEAR ENDED JUNE 30, 2015

	BALANCE FORWARD 7/1/14	APPROPRIATIONS	CASH RECEIPTS	OTHER CREDITS	TOTAL	CASH DISBURSED	OTHER CHARGES	TOTAL	UNEXPENDED (OVERDRAFT)	BALANCE FORWARD 6/30/15
<b>PUBLIC WORKS:</b>										
Paving and Construction	\$ -	\$ 265,065.00	\$ -	\$ -	\$ 265,065.00	\$ 183,251.87	\$ -	\$ 183,251.87	\$ 81,813.13	\$ -
Public Works Department		489,353.00		16,239.24	505,592.24	448,971.29	4,777.00	453,748.29	51,843.95	
Restrooms		24,059.00			24,059.00	20,872.52		20,872.52	3,186.48	
Winter Operations		106,665.00			106,665.00	140,455.32		140,455.32	(33,790.32)	
	<u>\$ -</u>	<u>\$ 885,142.00</u>	<u>\$ -</u>	<u>\$ 16,239.24</u>	<u>\$ 901,381.24</u>	<u>\$ 793,551.00</u>	<u>\$ 4,777.00</u>	<u>\$ 798,328.00</u>	<u>\$ 103,053.24</u>	<u>\$ -</u>
<b>SPECIAL ASSESSMENTS AND ORGANIZATIONS:</b>										
Community School District	\$ -	\$ 2,547,489.50	\$ -	\$ -	\$ 2,547,489.50	\$ 2,547,489.00	\$ -	\$ 2,547,489.00	\$ 0.50	\$ -
County Tax Assessment		908,838.00			908,838.00	908,837.61		908,837.61	0.39	
Overlay, Abatements, and Supplements		12,716.50		3,522.88	16,239.38	2,988.82	7,063.65	10,052.47	6,186.91	
Bayville/Isle of Springs		90,000.00	2,640.00		92,640.00	85,588.95	2,640.00	88,228.95	4,411.05	
Cemetery		15,000.00			15,000.00	15,000.00		15,000.00		
Support Organizations		33,784.00			33,784.00	4,655.00	30,460.92	35,115.92	(1,331.92)	
	<u>\$ -</u>	<u>\$ 3,607,828.00</u>	<u>\$ 2,640.00</u>	<u>\$ 3,522.88</u>	<u>\$ 3,613,990.88</u>	<u>\$ 3,564,559.38</u>	<u>\$ 40,164.57</u>	<u>\$ 3,604,723.95</u>	<u>\$ 9,266.93</u>	<u>\$ -</u>
<b>PUBLIC SAFETY:</b>										
Animal Control	\$ -	\$ 7,323.00	\$ -	\$ -	\$ 7,323.00	\$ 6,246.74	\$ -	\$ 6,246.74	\$ 1,076.26	\$ -
Parking Facilities		35,512.00			35,512.00	36,428.96		36,428.96	(916.96)	
Code Enforcement		75,963.00			75,963.00	73,431.17	727.00	74,158.17	1,804.83	
Emergency Management		4,078.00	1,359.00		5,437.00		2,719.00	2,719.00	2,718.00	
Fire Department		89,167.00			89,167.00	62,752.18		62,752.18	26,414.82	
Harbor Management		39,647.00			39,647.00	29,068.95		29,068.95	10,578.05	
Police Department		774,368.00	10,346.49	16,117.77	800,832.26	708,007.23	6,968.00	714,975.23	85,857.03	
Street Lights		45,000.00			45,000.00	50,516.51		50,516.51	(5,516.51)	
Hydrant Rental		471,612.00			471,612.00	471,612.00		471,612.00		
	<u>\$ -</u>	<u>\$ 1,542,670.00</u>	<u>\$ 11,705.49</u>	<u>\$ 16,117.77</u>	<u>\$ 1,570,493.26</u>	<u>\$ 1,438,063.74</u>	<u>\$ 10,414.00</u>	<u>\$ 1,448,477.74</u>	<u>\$ 122,015.52</u>	<u>\$ -</u>
DEBT SERVICE	\$ -	\$ 108,300.00	\$ -	\$ -	\$ 108,300.00	\$ 91,985.63	\$ -	\$ 91,985.63	\$ 16,314.37	\$ -
<b>CAPITAL BUDGET:</b>										
Equipment	\$ -	\$ 10,100.00	\$ -	\$ -	\$ 10,100.00	\$ 69,591.74	\$ -	\$ 69,591.74	\$ (59,491.74)	\$ -
Improvements		9,900.00			9,900.00				9,900.00	
Lease Purchase		12,000.00			12,000.00	11,627.43		11,627.43	372.57	
Reserve Account		65,000.00			65,000.00		65,000.00	65,000.00		
Cold Storage Building	238,168.55				238,168.55	173,522.90		173,522.90	64,645.65	
	<u>\$ 238,168.55</u>	<u>\$ 97,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 335,168.55</u>	<u>\$ 254,742.07</u>	<u>\$ 65,000.00</u>	<u>\$ 319,742.07</u>	<u>\$ 15,426.48</u>	<u>\$ -</u>
	<u>\$ 272,275.55</u>	<u>\$ 7,587,897.00</u>	<u>\$ 777,720.25</u>	<u>\$ 103,032.26</u>	<u>\$ 8,740,925.06</u>	<u>\$ 7,527,490.18</u>	<u>\$ 933,575.38</u>	<u>\$ 8,461,065.56</u>	<u>\$ 279,859.50</u>	<u>\$ -</u>

TOWN OF BOOTHBAY HARBOR  
VALUATION, ASSESSMENT, AND COLLECTIONS  
FOR THE YEAR ENDED JUNE 30, 2015

VALUATION:		
Real Estate	\$ 597,782,170.00	
Personal Property	761,150.00	
	<hr/>	
Total		<u>\$ 598,543,320.00</u>
ASSESSMENT:		
Valuation x Rate (\$598,543,320.00 x .0109)	\$ 6,524,122.19	
Supplemental Taxes	3,522.88	
	<hr/>	
		\$ 6,527,645.07
COLLECTIONS AND CREDITS:		
Cash Collections (98.02% of Assessment)	\$ 6,395,709.99	
Abatements	5,344.26	
Prepaid Taxes	6,381.04	
	<hr/>	
Total Collections and Credits		<u>6,407,435.29</u>
2014-15 Taxes Receivable, June 30, 2015		<u>\$ 120,209.78</u>

COMPUTATION OF ASSESSMENT

Tax Commitment	\$ 6,524,122.19	
Excise Tax	367,945.00	
State Revenue Sharing	65,000.00	
Miscellaneous Revenue	34,154.00	
Code Enforcement	31,000.00	
Interest	23,700.00	
Cable TV	28,029.00	
Bayville Trash	2,640.00	
Parking Fees	90,800.00	
Parking Fines	10,000.00	
DOT Urban/Rural PGM	29,532.00	
BETE Reimbursement	616.94	
Harbor Management	47,150.00	
Licenses and Permits	21,300.00	
Parks and Recreation	900.00	
Homestead Reimbursement	18,857.87	
Fuel Reimbursement	2,900.00	
Municipal/Agent Fees	9,000.00	
General Assistance	22,750.00	
Liens and Notices	7,500.00	
Surplus/Undesignated Fund Balance	250,000.00	
	<hr/>	
		\$ 7,587,897.00
REQUIREMENTS:		
Appropriations	\$ 6,666,342.50	
County Tax	908,838.00	
	<hr/>	
		7,575,180.50
OVERLAY		<u>\$ 12,716.50</u>

TOWN OF BOOTHBAY HARBOR  
RECONCILIATION OF TREASURER'S CASH BALANCE  
FOR THE YEAR ENDED JUNE 30, 2015

Cash on Hand		\$ 620.00
GENERAL FUND CHECKING ACCOUNT:		
The First		
Balance Per Bank Statement	\$ 1,866,983.20	
Deduct: Outstanding Checks	<u>106,192.21</u>	
		<u>1,760,790.99</u>
Cash Balance, June 30, 2015		<u><u>\$ 1,761,410.99</u></u>

STATEMENT OF TAXES RECEIVABLE  
FOR THE YEAR ENDED JUNE 30, 2015

2014-2015	\$ 120,209.78
2013-2014	1,894.36
2012-2013	1,058.40
2011-2012	892.53
2010-2011	240.81
2009-2010	158.12
2008-2009	195.20
2007-2008	210.90
	<u>\$ 124,860.10</u>

TOWN OF BOOTHBAY HARBOR  
TAXES RECEIVABLE  
JUNE 30, 2015

Real Estate2014-2015

120 Commercial Street Realty LLC	\$ 1,764.71
Alexander Development LLC	263.78
Alexander Development LLC	263.78
Alexander Development LLC	263.78
Alexander Development LLC	263.78
Alexander Development LLC	265.96
Alexander Development LLC	263.78
Alexander Development LLC	261.60
Bouffard, Ronald P.	93.07
Brewer, Marc & Tracy	692.15
Brewer, Marc A.	1,529.27
Brewer, Michael M. & Martha J. Clayter	1,184.83
Carter, Arthur A.	1,230.08
Colette & Michael LLC	2,158.20
Colette & Michael LLC	664.90
Crocker, Allan R.	2,364.21
Curtis, Osborn Marcus, IV	2,304.26
Domenech-Cifuentes, Cindy E., Trustee	1,730.92
Doray, Nicole L.	1,096.89
Durfee, Joyce	1,418.74
Engert, Bruce C. & Mary-Ellen	3,934.90
Farrin, Clive D., Life Tenant	965.74
Friant, Mary Evelyn, Trustee	8,521.62
Garrett, Susan M. & Andrew R. Maxfield, Trust	1,451.88
Garvey, Dominic, Life Tenant	616.94
Gleason, Martha W. & Dennis J.	6,486.59
Grindall, Harry S., III	888.28
Harbour Towne Inn Inc.	5,767.19
James F. Burns, III, as Trustee of the	2,781.68
James F. Burns, III, as Trustee of the	1,632.82
Jones, Suzanne J.	159.26
Kane, Mary-Lynn	1,144.50
Kelley, Andrew J.	833.85
Kent, Bailey, Maine Trust	89.38
Lewis, Gary E. & Donna L.	1,463.79
Manson, Elizabeth J.	741.20
Markee, Kenneth A. & Julie P.	182.03
Markham, Janice M.	270.86
Marsh, Robert S., Trustee	8,661.14
McDonough, Walter I., Jr. & Janet E.	11,721.42
McGillivray, Stuart F. & Susan H.	1,838.89
McLellan, Stacy A.	355.34
Minde, Eugena Ann	1,386.48
Murray Hill Properties Limited	7,288.83
O'Brien, Gerard P. & Heather M.	1,744.00
Page, Neal D.	143.94
Paquette, Susan M.	1,241.40
Perry, Richard	2,275.92
Russell, Kim & Joni	1,680.78

TOWN OF BOOTHBAY HARBOR  
TAXES RECEIVABLE  
JUNE 30, 2015

Real Estate (Cont'd)2014-2015 (Cont'd)

Russell, Kim & Joni	\$ 382.59	
Shepherd, James Brian & Irene C.	1,188.10	
Smigielski, John B. & Terese A.	1,899.86	
Smigielski, John B. & Terese A.	2.18	
Timberlake, Travis & Leah	1,771.25	
Townsend, Teresa	313.98	
Tupper, Claire	1,861.72	
Vosburgh, Sandra Lee Temple	1,397.33	
Welch, Emmalin C.	9,428.06	
Wilcox, Paula B.	239.60	
Williams, Charles T., Heirs	1,667.33	
	1,667.33	\$ 116,501.34

Personal Property2014-2015

Arsenault, Anya	\$ 41.42	
Battistini, Sharon	10.90	
Bistro LLC	296.48	
Boothbay Harbor Marine Services	42.51	
Boothbay Harbor Shipyard LLC	930.86	
Boothbay Lobster Wharf Inc.	190.75	
Bosio, Richard A. & Laura A.	408.75	
Christmas Magic of Maine Inc.	23.43	
Coast & Cottage Inc.	6.54	
Curtis, Pamela	38.64	
Dugay, Thomas	34.88	
Gleason Fine Art Inc.	31.90	
Greenleaf Lodging Corporation	91.01	
Harbor Optical LLC	130.80	
Harbour Towne Inn Inc.	151.51	
Heads of the Harbor Inc.	81.75	
McLellan, Stacy	88.29	
Nadeau, Thomas P. OD	234.93	
O'Hara Corporation	19.62	
Pizer, Richard C.	264.87	
Timberlake, Leah	137.34	
Village Market & Deli Inc.	451.26	
	451.26	3,708.44

2013-2014

Battistini, Sharon	\$ 10.95	
Boothbay Harbor Marine Services	45.99	
Boothbay Harbor Shipyard LLC	481.80	
Bosio, Richard A. & Laura A.	416.10	
Friant, Mary Evelyn	281.41	
Hagerthy, Cama	14.24	
Harbour Towne Inn Inc.	153.30	
Heads of the Harbor Inc.	89.79	
Pizer, Richard C.	261.71	
Timberlake, Leah	139.07	
	139.07	1,894.36

TOWN OF BOOTHBAY HARBOR  
TAXES RECEIVABLE  
JUNE 30, 2015

Personal Property (Cont'd)2012-2013

Battistini, Sharon	\$ 10.50	
Bosio, Richard A. & Laura A.	392.70	
Hagerthy, Cama	13.65	
Harbour Towne Inn Inc.	145.95	
Heads of the Harbor Inc.	94.50	
Knowlton, Laurie	10.50	
Pizer, Richard C.	250.95	
Rubel, Patricia	7.35	
Timberlake, Leah	<u>132.30</u>	
		\$ 1,058.40

2011-2012

Battistini, Sharon	\$ 9.45	
Boothbay Harbor Laundry LLC	299.42	
Bosio, Richard A. & Laura A.	40.08	
Emerson, Rob & Dee Anne	164.85	
Hagerthy, Cama	13.65	
Harbour Towne Inn Inc.	71.08	
Heads of the Harbor Inc.	100.80	
Hutchens, Molly	23.10	
Knowlton, Laurie	11.55	
Knowlton, Laurie	26.25	
Rubel, Patricia	8.40	
Timberlake, Leah	<u>123.90</u>	
		892.53

2010-2011

Battistini, Sharon	\$ 10.26	
Coombs, William	11.40	
Gilbert, Dawn	39.90	
Hagerthy, Cama	13.68	
Hutchens, Molly	23.94	
Rubel, Patricia	1.41	
Timberlake, Leah	<u>140.22</u>	
		240.81

2009-2010

Timberlake, Leah		158.12
------------------	--	--------

2008-2009

Timberlake, Leah		195.20
------------------	--	--------

2007-2008

Timberlake, Leah		210.90
------------------	--	--------

	<u>\$ 124,860.10</u>
--	----------------------

TOWN OF BOOTHBAY HARBOR  
TAX LIENS  
JUNE 30, 2015

2013

Brewer, Marc & Tracy	\$ 695.33	
Brewer, Marc A.	1,536.29	
Brewer, Michael M. & Martha J. Clayter	1,190.26	
Burns, Joan McQuade	2,794.44	
Burns, Joan McQuade	1,640.31	
Colettee & Michael LLC	2,168.10	
Colettee & Michael LLC	667.95	
Crocker, Allan R.	2,375.05	
Curtis, Osborn Marcus, IV	2,000.00	
Friant, Mary Evelyn, Trustee	5,117.52	
Garrett, Susan M. & Andrew R. Maxfield, Trust	286.69	
Garvey, Dominic, Life Tenant	619.77	
Gleason, Martha W. & Dennis J.	6,516.35	
Harbour Towne Inn Inc.	5,793.65	
Marsh, Robert S., Trustee	8,700.87	
Minde, Eugena Ann	1,392.84	
Murray Hill Properties Limited	4,326.65	
O'Brian, Gerard P. & Heather M.	1,761.86	
Perry, Richard	760.05	
Russell, Kim & Joni	886.89	
Timberlake, Travis & Leah	145.54	
Welch, Emmalin C.	1,741.05	
	<u>9,471.31</u>	
		<u>\$ 62,588.77</u>



TOWN OF BOOTHBAY HARBOR  
CAPITAL PROJECTS  
JUNE 30, 2015

REVALUATION:		
Balance, July 1, 2014	\$ 121,341.03	
Add: Interest	182.15	
Balance, June 30, 2015	<u>121,523.18</u>	\$ 121,523.18
COMPREHENSIVE PLAN:		
Balance, July 1, 2014	\$ 4,316.99	
Add: Interest	6.47	
Deduct: Withdrawal	3,394.96	
Balance, June 30, 2015	<u>928.50</u>	928.50
MATCHING FUNDS FOR FUTURE GRANTS:		
Balance, July 1, 2014	\$ 329.94	
Add: Interest	0.50	
Balance, June 30, 2015	<u>330.44</u>	330.44
CAPITAL RESERVE:		
Balance, July 1, 2014	\$ 176,537.15	
Add: Interest	322.03	
Transfer - In	65,000.00	
Deduct: Withdrawal	32,357.01	
Balance, June 30, 2015	<u>209,502.17</u>	209,502.17
ESCROW RESERVE:		
Balance, July 1, 2014	\$ 116.68	
Add: Interest	0.17	
Balance, June 30, 2015	<u>116.85</u>	116.85
FOOTBRIDGE ENHANCEMENT:		
Balance, July 1, 2014	\$ 11,029.04	
Add: Interest	19.39	
Contributions	3,675.00	
Deduct: Withdrawal	367.56	
Balance, June 30, 2015	<u>14,355.87</u>	14,355.87
FULLER ESCROW RESERVE:		
Balance, July 1, 2014	\$ 3,005.98	
Add: Interest	4.45	
Balance, June 30, 2015	<u>3,010.43</u>	3,010.43
COMMUNITY FIREWORKS FUND:		
Balance, July 1, 2014	\$ 15,714.76	
Add: Contributions	19,131.66	
Deduct: Withdrawals	19,000.00	
Balance, June 30, 2015	<u>15,846.42</u>	15,846.42
8 WHARF STREET ESCROW:		
Balance, July 1, 2014	\$ -	
Add: Interest	6.42	
Contributions	13,695.00	
Balance, June 30, 2015	<u>13,701.42</u>	13,701.42
Balance, June 30, 2015		<u>\$ 379,315.28</u>