

Financial Statements

Town of Northport, Maine

June 30, 2013

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Town of Northport, Maine

June 30, 2013

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Independent Auditors' Report

**To the Selectboard
Town of Northport
Northport, Maine**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Northport, Maine, as of and for the year ended June 30, 2013, 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 opinion.

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 Town of Northport, Maine as of June 30, 2013, and the respective changes in financial position for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on page 3 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 Town of Northport, Maine's financial statements as a whole. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements.

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

Purdy Powers & Company
Professional Association

Portland, Maine
November 22, 2013



Town of Northport

16 Beech Hill Road
(207) 338-3819

- Northport, Maine 04849
- (207) 338-3596 (Fax)

www.northportmaine.org

A community of neighbors, a tradition of caring since 1796.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Town of Northport's financial performance provides an overview of the Town's financial activities for the year ended June 30, 2013. Please read it in conjunction with the Town's financial statements.

Using this Annual Report

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Fund financial statements are presented next. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds.

Reporting the Town as a Whole

The Statement of Net Position and the Statement of Activities

One of the most important questions asked about the Town's finances is, "Is the Town as a whole, better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the Town as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Town's net position and the current year change in net position. You can think of the Town's net position - the difference between assets and liabilities - as one way to measure the Town's financial health, or financial position. Over time, increases or decreases in the Town's net position is one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the Town's property tax base and the condition of the Town's roads, to assess the overall health of the Town.

The Statement of Activities reports the current year change in net position. This statement includes all of the current year's revenues and expenses regardless of when cash is received or paid.

- Governmental activities - Most of the Town's basic services are reported here, including the fire protection, general administration, road maintenance, funding of education to RSU # 20, county tax payments, cemetery care, health and sanitation, and recreation. Property and excise taxes, state and federal grants, and miscellaneous reimbursements and fees finance most of these activities.

Reporting the Town's Most Significant Funds Fund Financial Statements

Our analysis of the Town's major funds begins with the fund financial statements on page 6 and provide detailed information about the most significant funds - not the Town as a whole. Some funds are required to be established by State law. However, the Selectboard establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. The Town's funds-governmental accounting approach is as follows:

- Governmental funds - Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, 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 Town's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation on pages 7 and 9.

THE TOWN AS A WHOLE

For the years ended June 30, 2013 and 2012, net position changed as follows:

	2013	2012
Governmental Activities		
Beginning net position	\$ 4,798,490	\$ 4,851,798
Increase (decrease) in net position	<u>(24,884)</u>	<u>(53,308)</u>
Ending net position	<u>\$ 4,773,606</u>	<u>\$ 4,798,490</u>

That reflects a decrease of 0.5% for governmental activities in 2013 and a 1.1% decrease in 2012.

The continuing sluggish economy and reduction in State funding to municipalities may account for the slight difference in municipal activities.

Governmental Activities

To aid in the understanding of the Statement of Activities some additional explanation is given. Of particular interest is the format that is significantly different than a typical Statement of Revenues, Expenses, and Changes in Fund Balance. You will notice that expenses are listed in the first column with revenues from that particular program reported to the right. The result is a Net (Expense) Revenue. The reason for this kind of format is to highlight the relative financial burden of each of the functions on the Town's taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing through fees and grants. Some of the individual line item revenues reported for each function are:

General government	Building permits, planning board receipts, tax interest and charges, and fines
Health and sanitation	Landfill receipts and transfer station reimbursements
Public works	Local road assistance

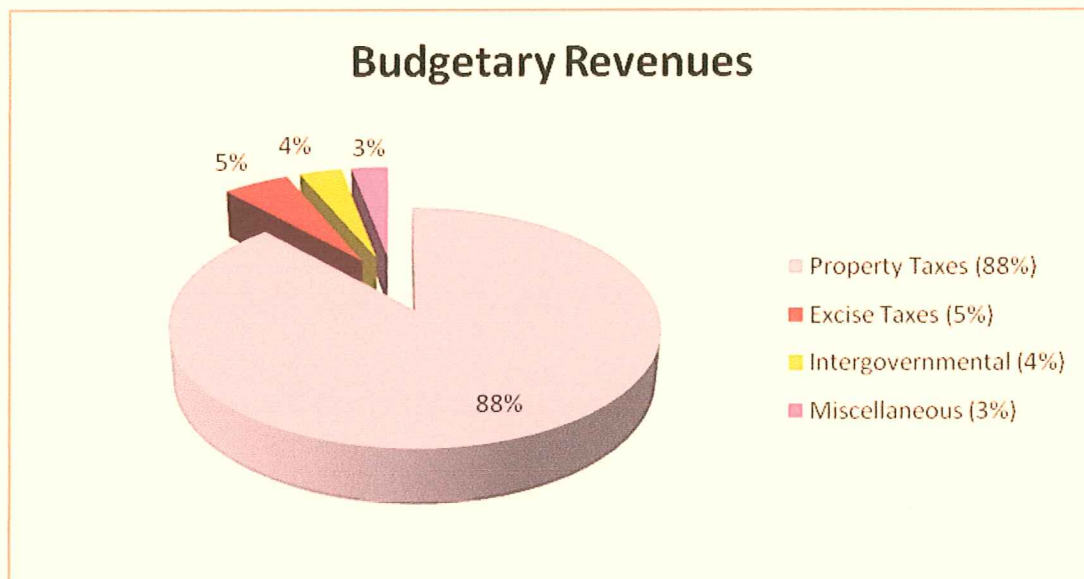
All other governmental revenues are reported as miscellaneous. It is important to note that all taxes are classified as general revenue even if restricted for a specific purpose.

THE TOWN'S FUNDS

The following schedule presents a summary of general fund revenues and expenditures on a budgetary basis for the fiscal years ended June 30, 2013, and 2012, and the amount and percentage of increases and decreases in relation to the prior year.

<u>Revenue</u>	<u>2013</u> <u>Amount</u>	<u>2012</u> <u>Amount</u>	<u>Increase</u> <u>(Decrease)</u> <u>from 2012</u>	<u>%</u> <u>Increase</u> <u>(Decrease)</u>
<i>Property taxes</i>	\$ 3,830,930	\$ 3,552,446	\$ 278,484	7.8%
<i>Excise taxes</i>	231,179	232,075	(896)	(0.4%)
<i>Intergovernmental</i>	147,784	172,956	(25,172)	(14.6%)
<i>Miscellaneous</i>	128,681	122,374	6,307	6.4%
Total Revenue	<u>\$ 4,338,574</u>	<u>\$ 4,079,851</u>	<u>\$ 258,723</u>	<u>6.3%</u>

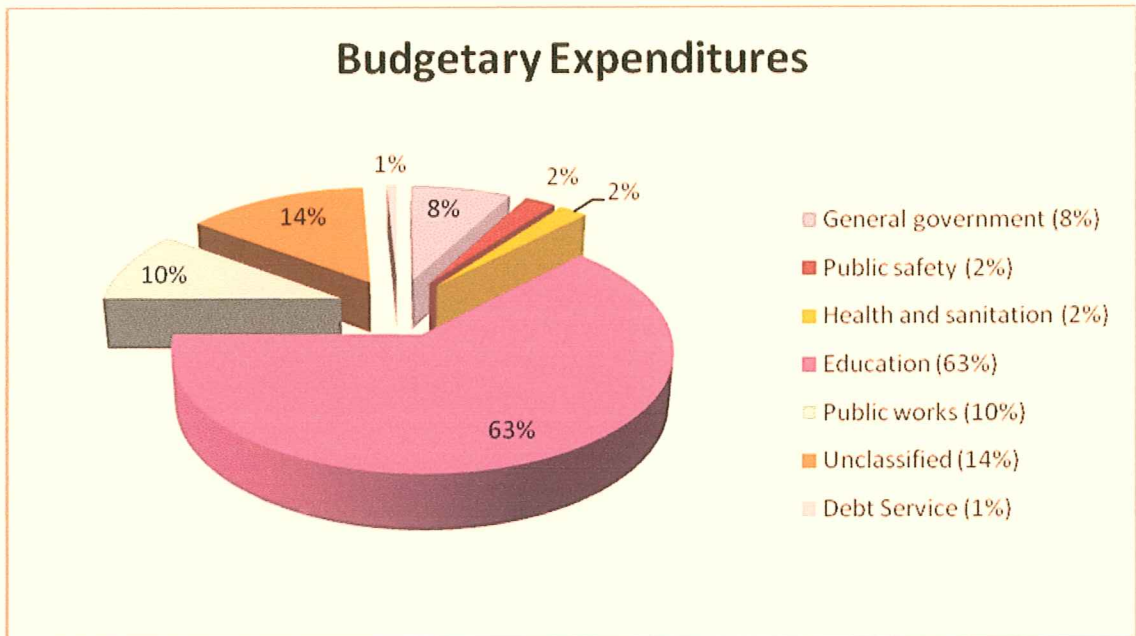
The Town's general fund operating fund revenues on a budgetary basis were as follows:



An increase in property taxes received accounts for the largest increase in revenues, while other accounts remained fairly consistent with the prior year. Intergovernmental accounts, which are made up mostly of State reimbursements which have declined, saw the largest decrease in revenues.

<u>Expenditures</u>	<u>2013</u> <u>Amount</u>	<u>2012</u> <u>Amount</u>	<u>Increase</u> <u>(Decrease)</u> <u>from 2012</u>	<u>%</u> <u>Increase</u> <u>(Decrease)</u>
General government	\$ 334,250	\$ 322,882	\$ 11,368	3.5 %
Public safety	102,371	125,658	(23,287)	(18.5%)
Health and sanitation	94,327	94,947	(620)	(0.7%)
Education	2,679,881	2,292,394	387,487	16.9%
Public works	432,749	652,937	(220,188)	(33.7%)
Unclassified	598,716	581,319	17,397	3.0%
Debt Service	34,056	34,056	- - -	- - -
Total Expenditures	<u>\$ 4,276,350</u>	<u>\$ 4,104,193</u>	<u>\$ 172,157</u>	<u>4.2%</u>

The Town's general fund operating fund expenditures on a budgetary basis were as follows:



The majority of accounts saw a decrease in expenditures. This is attributable to streamlining each municipal account during the budget process. Education saw the largest increase due to reduction in funding from the State. The loss of State aid to education will continue to have a direct impact on this account.

GENERAL FUND BUDGETARY HIGHLIGHTS

No budget amendments were made for the year ended June 30, 2013. The budget to actual comparison is shown on page 10.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2013, the Town had \$4 million invested in capital assets including fire trucks, equipment, buildings, and town owned roads. (See table below.)

	Governmental Activities	
	<u>June 30, 2013</u>	<u>June 30, 2012</u>
Land	\$ 129,903	\$ 129,903
Buildings	593,448	593,448
Equipment	81,450	81,450
Vehicles	444,293	444,293
Infrastructure	<u>2,732,503</u>	<u>2,732,503</u>
Totals	<u>\$ 3,981,597</u>	<u>\$ 3,981,597</u>

There were no changes in capital assets over the prior year.

Debt

At year end, the Town had \$128,874 in general obligation debt.

The loan for the sand and salt garage continues to be paid down consistently each year.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Select Board continues to carefully monitor municipal accounts. The coming year will see a second vote to withdraw from RSU#20, with financial implications unknown at this time. Continued economic uncertainty, combined with loss of revenue from the State, may have a negative impact on the mil rate and upcoming budget for 2014.

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 the Town Office.

Town of Northport
Barbara Ashe, Administrator
16 Beech Hill Road
Northport, ME 04849
Phone: (207)338-3819

Statement of Net Position

Town of Northport, Maine

As of June 30, 2013

	Governmental Activities
Assets	
Cash	\$ 1,596,119
Investments	8,006
Accounts receivable	15,657
Taxes receivable	222,494
Tax liens receivable	103,326
Tax acquired property	240
Capital assets, net of accumulated depreciation	2,972,685
Total Assets	4,918,527
Liabilities	
Accounts payable	14,296
Taxes paid in advance	1,751
Long-term liabilities:	
Portion due or payable within one year:	
Bond payable	31,073
Portion due or payable after one year:	
Bond payable	97,801
Total Liabilities	144,921
Net Position	
Invested in capital assets, net of related debt	2,843,811
Restricted:	
Nonexpendable	12,580
Expendable	12,774
Unrestricted	1,904,441
Net Position	\$ 4,773,606

See accompanying independent auditors' report and notes to financial statements.

Statement of Activities

Town of Northport, Maine

For the Year Ended June 30, 2013

Function/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for	Operating	Capital	Revenue and
		Services	Grants and	Grants and	Changes in
			Contributions	Contributions	Net Position
					Governmental
					Activities
Governmental Activities:					
General government	\$ 344,919	\$ 63,608	\$ -	\$ -	\$ (281,311)
Public safety	131,101	-	2,000	-	(129,101)
Health and sanitation	94,327	53,140	-	-	(41,187)
Education	2,679,881	-	-	-	(2,679,881)
Public works	493,149	-	42,144	-	(451,005)
Unclassified	599,806	-	2,621	-	(597,185)
Interest on long term debt	3,752	-	-	-	(3,752)
Total Governmental Activities	\$ 4,346,935	\$ 116,748	\$ 46,765	\$ -	(4,183,422)
General revenues:					
Taxes:					
Property taxes					3,804,930
Excise taxes					231,179
Interest income					7,378
Intergovernmental					101,019
Miscellaneous					14,032
Total General Revenues					4,158,538
Change in Net Position					(24,884)
Net position at beginning of year					4,798,490
Net Position at End of Year					\$ 4,773,606

See accompanying independent auditors' report and notes to financial statements.

Balance Sheet - Governmental Funds

Town of Northport, Maine

As of June 30, 2013

	General	Other Governmental Funds	Total Governmental Funds
Assets			
Cash	\$ 1,578,771	\$ 17,348	\$ 1,596,119
Investments	-	8,006	8,006
Accounts receivable	15,657	-	15,657
Taxes receivable	222,494	-	222,494
Tax liens	103,326	-	103,326
Tax acquired property	240	-	240
Total Assets	<u>\$ 1,920,488</u>	<u>\$ 25,354</u>	<u>\$ 1,945,842</u>
Liabilities and Fund Balances			
Liabilities			
Accounts payable	\$ 14,296	\$ -	\$ 14,296
Taxes paid in advance	1,751	-	1,751
Deferred property tax revenues	200,000	-	200,000
Total Liabilities	216,047	-	216,047
Fund Balances			
Nonspendable:			
Permanent funds	-	12,580	12,580
Restricted:			
Permanent funds	-	12,774	12,774
Assigned:			
General fund	770,707	-	770,707
Unassigned:			
General fund	933,734	-	933,734
Total Fund Balances	<u>1,704,441</u>	<u>25,354</u>	<u>1,729,795</u>
Total Liabilities and Fund Balances	<u>\$ 1,920,488</u>	<u>\$ 25,354</u>	<u>\$ 1,945,842</u>

See accompanying independent auditors' report and notes to financial statements.

Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position

Town of Northport, Maine

As of June 30, 2013

Total Fund Balances - Governmental Funds	\$ 1,729,795
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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 as assets in governmental funds. The cost of capital assets, net of accumulated depreciation is:	2,972,685
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Property tax revenues are presented on the modified accrual basis of accounting in the governmental funds but in the Statement of Activities, property tax revenue is reported under the accrual method. The balance in deferred property tax revenue in the governmental funds as a liability is:	200,000
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Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term and related liabilities at year-end consist of:	
Bond payable	<u>(128,874)</u>

Net Position - Governmental Activities	<u>\$ 4,773,606</u>
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See accompanying independent auditors' report and notes to financial statements.

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds**

Town of Northport, Maine

For the Year Ended June 30, 2013

	General	Other Governmental Funds	Total Governmental Funds
Revenues			
Property taxes	\$ 3,830,930	\$ -	\$ 3,830,930
Excise taxes	231,179	-	231,179
Intergovernmental	147,784	-	147,784
Miscellaneous	136,092	2,066	138,158
Total Revenues	4,345,985	2,066	4,348,051
Expenditures			
Current			
General government	334,250	-	334,250
Public safety	102,371	-	102,371
Health and sanitation	94,327	-	94,327
Education	2,679,881	-	2,679,881
Public works	432,749	-	432,749
Unclassified	599,220	586	599,806
Debt service - principal	30,304	-	30,304
- interest	3,752	-	3,752
Total Expenditures	4,276,854	586	4,277,440
Revenues Over (Under) Expenditures	69,131	1,480	70,611
Revenues and Other Sources Over (Under) Expenditures and Other Uses	69,131	1,480	70,611
Fund balances at beginning of year	1,635,310	23,874	1,659,184
Fund Balances at End of Year	\$ 1,704,441	\$ 25,354	\$ 1,729,795

See accompanying independent auditors' report and notes to financial statements.

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

Town of Northport, Maine

As of June 30, 2013

Net Change in Fund Balances - Total Governmental Funds \$ 70,611

Amounts reported for governmental activities in the Statement of Activities 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 differed from capital asset additions in the current period:

Additions to capital assets	\$ -	
Depreciation expense	<u>(99,799)</u>	(99,799)

Debt proceeds provide current resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position.

Repayment of debt 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 of debt repayments in the current period:

Principal portion of debt service payments	<u>30,304</u>
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Property tax revenues are presented on the modified accrual basis of accounting in the governmental funds but in the Statement of Activities, property tax revenue is reported under the accrual method. The current year change in deferred property tax revenue reported in the governmental funds and not in the Statement of Activities is:

<u>(26,000)</u>

Change in Net Position of Governmental Activities	<u>\$ (24,884)</u>
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See accompanying independent auditors' report and notes to financial statements.

**Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund**

Town of Northport, Maine

For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Positive (Negative)</u>
Revenues				
Taxes				
Property taxes	\$ 3,802,846	\$ 3,802,846	\$ 3,830,930	\$ 28,084
Excise taxes	-	231,179	231,179	-
Intergovernmental revenues				
State revenue sharing	102,899	102,899	71,608	(31,291)
State road assistance	-	42,144	42,144	-
Homestead exemption	21,137	21,137	21,137	-
Other	2,810	5,570	12,895	7,325
Miscellaneous revenues	-	98,463	128,681	30,218
Total Revenues	3,929,692	4,304,238	4,338,574	34,336
Expenditures				
Current				
General government	357,583	388,486	334,250	54,236
Public safety	125,102	128,435	102,371	26,064
Health and sanitation	108,667	161,807	94,327	67,480
Education	2,679,881	2,679,881	2,679,881	-
Public works	589,442	859,281	432,749	426,532
Unclassified	634,749	652,080	598,716	53,364
Debt service - principal	30,304	30,304	30,304	-
- interest	3,752	3,752	3,752	-
Total Expenditures	4,529,480	4,904,026	4,276,350	627,676
Revenues Over (Under) Expenditures	(599,788)	(599,788)	62,224	662,012
Other Financing Sources (Uses)				
Utilization of assigned fund balance	471,965	471,965	-	(471,965)
Utilization of unassigned fund balance	250,000	250,000	-	(250,000)
Operating transfers out	(66,637)	(66,637)	(66,637)	-
Total Other Financing Sources (Uses)	655,328	655,328	(66,637)	(721,965)
Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ 55,540	\$ 55,540	(4,413)	\$ (59,953)
Budgetary fund balance at beginning of year			1,467,455	
Budgetary Fund Balance at End of Year			\$ 1,463,042	

See accompanying independent auditors' report and notes to financial statements.

Notes to Financial Statement

Town of Northport, Maine

Note A - Summary of Significant Accounting Policies

The Town of Northport, Maine operates under a Selectboard form of government. The accounting policies of the Town of Northport, Maine conform to United States generally accepted accounting principles (GAAP). The Town applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. The more significant accounting policies established in GAAP and used by the Town are discussed below.

Principles Determining Scope of Reporting Entity

The basic financial statements include the accounts of all Town operations. The criteria for including organizations as component units within the Town's reporting entity, as set forth in GAAP include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the Town holds the corporate powers of the organization
- the Town appoints a voting majority of the organization's board
- the Town is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the Town
- there is fiscal dependency by the organization on the Town

Based on the aforementioned criteria, the Town of Northport has no component units.

Basis of Presentation

Government-wide Financial Statements

The statement of net position and statement of activities report information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services for support. Currently, the Town has no business-type activities.

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 Town does not allocate indirect expenses to functions in the statement of activities. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges 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. Major individual governmental funds are reported as separate columns in the fund financial statements.

Notes to Financial Statement - Continued

Town of Northport, Maine

Note A - Summary of Significant Accounting Policies - Continued

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which are considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, fund equity, revenues, and expenditures.

Governmental Activities

Governmental funds are identified as either general, special revenue, or permanent funds based upon the following guidelines.

The *General Fund* is the operating fund of the Town and is always classified as a major fund. It is used to account for all financial resources except those required to be accounted for in another fund.

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

Permanent Funds are used to account for resources legally held in trust. All resources of the fund, including any earnings on invested resources, may be used to support the organization as stipulated by the specific trust instrument.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting is related to the timing of the measurements made, regardless of the measurement focus applied.

Accrual

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

Modified Accrual

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 is recognized when due.

Notes to Financial Statement - Continued

Town of Northport, Maine

Note A - Summary of Significant Accounting Policies - Continued

Cash and Cash Equivalents

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Investments

The Town follows GASBS No. 31, Accounting and Reporting of Certain Investments and External Investment Pools. Under GASBS No. 31, certain investments held by governments are reported at their fair value in the balance sheet. Unrealized gains and losses are included in the statement of revenues, expenditures and changes in fund balance.

Inventories

Inventories of supplies are considered to be expenditures at the time of purchase.

Accounts Receivable

Accounts receivable are stated at the amount the Town expects to collect from outstanding balances. Town management closely monitors outstanding balances and records an allowance for doubtful accounts as necessary based upon historical trends of bad debts as well as a detailed review of current year receivables and their aging.

Capital Assets

In the government-wide financial statements, capital assets purchased or acquired with an original cost of \$10,000 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 method. Estimated useful lives are as follows: buildings and improvements, 20 to 40 years; infrastructure, 5 to 40 years; and vehicles and equipment, 3 to 25 years.

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets are not capitalized and related depreciation is not reported in the fund financial statements.

Accrued Compensated Absences

Under the terms of the personnel policies, annual vacation and sick leave is granted in varying amounts. No liability is recorded for accrued compensation absences at June 30, 2013, the inclusion of which would not be material to the financial statements.

Notes to Financial Statement - Continued

Town of Northport, Maine

Note A - Summary of Significant Accounting Policies - Continued

Budget

The Town of Northport's policy is to adopt an annual budget for operations. The budget is presented on the modified accrual basis of accounting, which is consistent with generally accepted accounting principles.

The following procedures are followed in establishing budgetary data reflected in the financial statements:

- Early in the second half of the last fiscal year the Town prepared a budget for this fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them.
- A meeting of the inhabitants of the Town of Northport was then called for the purpose of adopting the proposed budget after public notice of the meeting was given.
- The budget was adopted subsequent to passage by the inhabitants of the Town.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Interfund Activity

Interfund activity is reported as loans, reimbursements, or transfers. Loans are reported as interfund loan receivables and payables as appropriate and are subject to elimination upon consolidation in the government-wide presentation. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related costs as a reimbursement. Since not all funds maintain a separate cash account, cash is pooled in the General Fund cash account and activity for individual funds are recorded through the General Fund and each respective individual fund through the recognition of a "due to/due from" as appropriate. The due to/from other funds balances are subject to elimination upon consolidation in the government-wide presentation. All interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

Notes to Financial Statement - Continued

Town of Northport, Maine

Note A - Summary of Significant Accounting Policies - Continued

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, 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.

Debt Issuance Costs

In governmental funds, debt issuance costs are recognized in the current period. For the government - wide financial statements, governmental activity debt issuance costs are amortized over the life of the debt issue.

Revenue Recognition - Property Taxes

The Town's property tax for the current year was levied July 17, 2012, on the assessed value listed as of April 1, 2012, for all real and personal property located in the Town. Taxes were due September 30, 2012 and March 1, 2013. Interest on unpaid taxes commenced on October 1, 2012 and March 2, 2013, at 7% per annum.

Property tax revenues are recognized when they become available. Available includes those property tax receivables expected to be collected within sixty days after year end. The remaining receivables have been recorded as deferred revenues.

The Town 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 \$55,540 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 Town has the authority to foreclose on property eighteen months after the filing of the lien if tax liens and associated costs remain unpaid.

Notes to Financial Statement - Continued

Town of Northport, Maine

Note A - Summary of Significant Accounting Policies - Continued

Government-wide Fund Net Position

Government-wide net position is divided into three components:

Invested in capital assets, net of related debt - consist of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.

Restricted net position - consist of net assets that are restricted by the Town's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.

Unrestricted - All other net asset positions are reported in this category.

Governmental Fund Balances

In the governmental fund financial statements, fund balances are classified 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 are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed through constitutional provisions or enabling legislation.

Committed - resources which are subject to limitations the government imposes upon itself at its highest level of design making, and that remain binding unless removed in the same manner.

Assigned - resources neither restricted nor committed for which a government has a stated intended use as established by the Selectboard or a body or official to which the Selectboard has designated the authority to assign amounts for specific purposes.

Unassigned - resources which cannot be properly classified in one of the other four categories.

Use of Restricted Resources

The Town has no formal fund balance policy. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance and lastly unassigned fund balance.

Notes to Financial Statement - Continued

Town of Northport, Maine

Note A - Summary of Significant Accounting Policies - Continued

New Accounting Pronouncement

During the year ended June 30, 2013, the Town implemented Governmental Accounting Standards Board Statement (GASBS) No. 63 *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Asset Position*. Balances reported in net asset position were not changed with the implementation of the new standard.

Note B - Cash and Investments

The Town conducts all its banking and investment transactions with its depository banks and investment firm.

Custodial Credit Risk

At June 30, 2013, the carrying amount of the Town's deposits was \$1,596,119, and the bank balance was \$1,598,099. The difference between the carrying amount and the bank balance relates to deposits in transit, outstanding checks and cash on hand at year-end.

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy on custodial credit risk. As of June 30, 2013, \$242,590 of the Town's bank balance of \$1,598,099 was exposed to credit risk as follows:

Uninsured and collateralized by pledging bank's trust department or agent but not in the Town's name	\$ 239,669
Uninsured and Uncollateralized	<u>2,921</u>
Total	<u>\$ 242,590</u>

Investments

Maine statutes authorize the Town to invest in obligations of the U.S. Treasury and U.S. agencies, repurchase agreements, certain corporate stocks and bonds and mutual funds.

Interest Rate Risk

In accordance with the Town's investment policy, to the extent possible, investment maturities will be matched with anticipated cash requirements. At June 30, 2013, the Town had the following investments and maturities:

Investment Type	Fair Value	Not Applicable	Maturity		
			Less than 1 year	1-5 years	More than 5 years
Corporate stocks	<u>\$ 8,006</u>	<u>\$ 8,006</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Notes to Financial Statement - Continued

Town of Northport, Maine

Note B - Cash and Investments - Continued

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. None of the Town's investments are held by a counterparty, therefore as of June 30, 2013, the Town had no investments subject to custodial credit risk.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit risk is minimized by diversifying investments held. At June 30, 2013, the Town had no investments subject to credit risk.

Concentration of Credit Risk

The Town does not have an investment policy on concentration of credit risk. At June 30, 2013, the Town held the following common stock which represented greater than 5% of the total investments held: AT&T \$7,505.

Notes to Financial Statement - Continued

Town of Northport, Maine

Note C - Capital Assets

A summary of capital asset activity for the year ended June 30, 2013 follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Governmental Activities:				
Non-Depreciable Assets:				
Land	\$ 129,903	\$ -	\$ -	\$ 129,903
Depreciable Assets:				
Buildings	593,448	-	-	593,448
Equipment	81,450	-	-	81,450
Vehicles	444,293	-	-	444,293
Infrastructure	<u>2,732,503</u>	<u>-</u>	<u>-</u>	<u>2,732,503</u>
Totals at historical cost	3,981,597	-	-	3,981,597
Less Accumulated Depreciation:				
Buildings	102,508	15,199	-	117,707
Equipment	80,540	910	-	81,450
Vehicles	227,943	22,615	-	250,558
Infrastructure	<u>498,122</u>	<u>61,075</u>	<u>-</u>	<u>559,197</u>
Total accumulated depreciation	<u>909,113</u>	<u>99,799</u>	<u>-</u>	<u>1,008,912</u>
Capital Assets, Net	<u>\$ 3,072,484</u>	<u>\$ (99,799)</u>	<u>\$ -</u>	<u>\$2,972,685</u>

Depreciation expense was charged to the following functions:

General government	\$ 10,669
Public safety	28,730
Public works	<u>60,400</u>
Total governmental activities depreciation expense	<u>\$ 99,799</u>

Notes to Financial Statement - Continued

Town of Northport, Maine

Note D - 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>Amount Due within One Year</u>
Governmental Activities:					
General obligation debt	\$ 159,178	\$ -	\$ (30,304)	\$ 128,874	\$ 31,073

Long-Term Debt

At June 30, 2013 long-term debt consisted of the following:

2011 General Obligation Bond with Bangor Savings Bank for the purpose of providing partial funding for a sand/salt shed. The original borrowing was \$189,000 and is due in monthly payments of \$2,838 which includes interest at 2.60% through June 2017.

\$ 128,874

The annual requirements to amortize long-term debt are as follows:

<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 31,073	\$ 2,983	\$ 34,056
2015	31,891	2,165	34,056
2016	32,730	1,326	34,056
2017	33,180	465	33,645
	<u>\$ 128,874</u>	<u>\$ 6,939</u>	<u>\$ 135,813</u>

Notes to Financial Statement - Continued

Town of Northport, Maine

Note E - Landfill Closure and Post Closure Costs

The Town stopped accepting solid waste at its landfill site. State and federal laws and regulations require the Town to perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. Any amounts for future post-closure landfill costs are uncertain.

Note F - 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; and natural disasters for which the Town either carries commercial insurance or is effectively self-insured. Currently, the Town carries commercial insurance for any risks of loss to which it may be exposed.

Based on the coverage provided by commercial insurance purchased, the Town is not aware of any material actual or potential claim liabilities, which should be recorded at June 30, 2013.

Note G - Commitments

The Town has entered into separate agreements with unrelated third parties for certain services. Future required payments under the two agreements are as follows:

	<u>6/30/2014</u>	<u>6/30/2015</u>	<u>6/30/2016</u>	<u>Total</u>
Transportation/Disposal of Waste	\$ 44,000	\$ 44,000	\$ 44,000	\$ 132,000
Landscaping - Cemeteries	8,100	8,100	6,075	22,275
Landscaping	<u>1,313</u>	<u>2,270</u>	<u>1,708</u>	<u>5,291</u>
	<u>\$ 53,413</u>	<u>\$ 54,370</u>	<u>\$ 51,783</u>	<u>\$ 159,566</u>

Notes to Financial Statement - Continued

Town of Northport, Maine

Note H - Budget to Actual Reconciliation

An explanation of the differences between budgetary inflows and outflows and revenues and expenditures determined in accordance with generally accepted accounting principles follows:

Budgetary Basis:

Revenues and Other Sources Over (Under)

Expenditures and Other Uses	\$ (4,413)
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Sources/inflows of resources - reconciling items

The Town does not budget for revenues received in assigned fund balance accounts:

Interest income	1,271
Cemetery lot sales	1,600
Mooring fees	4,540

Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes	66,637
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Uses/outflows of resources - reconciling items

The Town does not budget to use assigned fund balance amounts which have been expended in the current year:

Sand/Salt Shed	(104)
Wyman Park	<u>(400)</u>

Generally Accepted Accounting Principles Basis:

Revenues and Other Sources Over (Under)

Expenditures and Other Uses	<u>\$ 69,131</u>
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The difference between the general fund balance reported according to generally accepted accounting principles and the general fund balance reported according to the budgetary basis of accounting is accounted by the ending balances (shown in Note I) of the Cemetery Reserve Fund, Wyman Park, Fire Watch, Fire Truck Replacement, Town Wharf, Sand/Salt Shed, Marine Reserve Fund, and First Responders Equipment Reserve assigned fund balances.

Notes to Financial Statement - Continued

Town of Northport, Maine

Note I - Assigned Fund Balance

At June 30, 2013 the assigned general fund balance consisted of the following:

	Balance at <u>7/1/2012</u>	Budget transfer/ <u>Appropriations</u>	<u>Revenues</u>	<u>Reductions</u>	Balance at <u>6/30/2013</u>
Payroll Taxes	\$ 1,672	\$ 23,500	\$ -	\$ 25,172	\$ -
Town Hall Maintenance	1,794	22,000	-	23,794	-
Legal	7,284	8,000	-	15,284	-
Planning Board	1,588	1,000	400	1,742	1,246
Code Enforcement Officer	13,729	18,500	4,803	37,032	-
Fire Department	5,158	31,968	-	37,126	-
First Response Medical Team	18,386	(5,380)	2,000	15,006	-
Insurance	12,225	15,000	-	19,029	8,196
Animal Control	5,274	8,500	1,309	7,722	7,361
Roads and Bridges	264,442	125,000	269,839	273,206	386,075
Cemetery	5,241	15,000	386	15,278	5,349
Cemetery Development	8,014	-	-	300	7,714
General Assistance	9,581	2,000	2,621	3,770	10,432
Snowmobile Reimbursement	305	-	139	305	139
Northport Harbor Fund	46,675	(20,000)	10,985	8,856	28,804
Northport Needy Families	630	-	-	-	630
Northport Warm Neighbors Fund	300	-	3,000	-	3,300
Transfer Station	69,667	35,000	53,140	90,327	67,480
Cemetery Capital Reserve Fund	-	-	1,600	-	1,600
Wyman Park	4,071	-	5	400	3,676
Fire Watch	799	-	1	-	800
Fire Truck Replacement	113,356	23,032	1,205	-	137,593
Town Wharf	2,427	-	3	-	2,430
Sand/Salt Shed	15,910	-	3	104	15,809
Marine Reserve Fund	31,291	20,000	4,594	-	55,885
First Responders Equip. Reserve	-	23,605	-	-	23,605
Municipal Revenue Sharing	16,353	-	71,608	87,961	-
Nature Conservancy	325	-	325	325	325
Tree Growth Reimbursement	1,324	-	1,223	1,324	1,223
BETE Exemption Reimbursement	232	-	51	283	-
Veterans Exemption Reimb.	1,112	-	1,035	1,112	1,035
Homestead Reimbursement	254	-	14,980	15,234	-
	<u>\$ 659,419</u>	<u>\$ 346,725</u>	<u>\$ 445,255</u>	<u>\$ 680,692</u>	<u>\$ 770,707</u>

Notes to Financial Statement - Continued

Town of Northport, Maine

Note J - Subsequent Event

Subsequent to year-end, the Town purchased a fire truck in the amount of \$69,741. The fire truck will be paid off in two equal installments during the year ended June 30, 2014.

Combining Balance Sheet
Permanent Funds - Trust Funds

Town of Northport, Maine

As of June 30, 2013

	<u>Cemetery</u>	<u>Wyman Needy</u>	<u>Christmas Charity</u>	<u>Total</u>
Assets				
Cash and cash equivalents	\$ 9,302	\$ 5,491	\$ 2,555	\$ 17,348
Investments	<u>8,006</u>	<u>-</u>	<u>-</u>	<u>8,006</u>
Total Assets	<u>\$ 17,308</u>	<u>\$ 5,491</u>	<u>\$ 2,555</u>	<u>\$ 25,354</u>
Liabilities and Fund Balances				
Liabilities				
Due to other funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balances				
Nonspendable	5,080	5,000	2,500	12,580
Restricted	<u>12,228</u>	<u>491</u>	<u>55</u>	<u>12,774</u>
Total Fund Balances	<u>17,308</u>	<u>5,491</u>	<u>2,555</u>	<u>25,354</u>
Total Liabilities and Fund Balances	<u>\$ 17,308</u>	<u>\$ 5,491</u>	<u>\$ 2,555</u>	<u>\$ 25,354</u>

See accompanying independent auditors' report.

**Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
Permanent Funds - Trust Funds**

Town of Northport, Maine

For the Year Ended June 30, 2013

	<u>Cemetery</u>	<u>Wyman Needy</u>	<u>Christmas Charity</u>	<u>Total</u>
Revenues				
Interest income	\$ 8	\$ 7	\$ 2	\$ 17
Net investment return	449	-	-	449
Contributions	<u>1,600</u>	<u>-</u>	<u>-</u>	<u>1,600</u>
Net Revenues	2,057	7	2	2,066
Expenditures				
Current	<u>386</u>	<u>200</u>	<u>-</u>	<u>586</u>
Total Expenditures	<u>386</u>	<u>200</u>	<u>-</u>	<u>586</u>
Revenues Over (Under) Expenditures	1,671	(193)	2	1,480
Fund balances at beginning of year	<u>15,637</u>	<u>5,684</u>	<u>2,553</u>	<u>23,874</u>
Fund Balances at End of Year	<u>\$ 17,308</u>	<u>\$ 5,491</u>	<u>\$ 2,555</u>	<u>\$ 25,354</u>

See accompanying independent auditors' report.

Schedule of Valuation, Assessment and Collection of Taxes

Town of Northport, Maine

For the Year Ended June 30, 2013

Valuation

Real estate	\$ 287,929,800
Personal property	<u>2,363,800</u>
Total Valuation	<u>\$ 290,293,600</u>

Assessment

Valuation x Rate - \$290,293,600 x .01310	\$ 3,802,846
Supplemental taxes	<u>2,084</u>
Total Assessment Charged to Tax Collector	\$ 3,804,930

Collection and Credits

Cash collections	\$ 3,578,552
Tax abatements	<u>3,884</u>
Total Collection and Credits	<u>3,582,436</u>

2013 Taxes Receivable - June 30, 2013	<u>\$ 222,494</u>
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See accompanying independent auditors' report.

Schedule of Departmental Operations (1 of 3)

Town of Northport, Maine

For the Year Ended June 30, 2013

	Beginning Balance	Appropriations	Budget Transfer	Other Credits	Total Available	Expended	Balances	
							Lapsed	Carried
General Government								
Office operations	\$ -	\$ 30,500	\$ -	\$ 25,700	\$ 56,200	\$ 42,406	\$ 13,794	\$ -
Assessing	-	22,400	-	-	22,400	22,400	-	-
Bank fees and service charges	-	-	-	-	-	1,111	(1,111)	-
Administration	-	148,616	-	-	148,616	147,451	1,165	-
Payroll taxes	1,672	23,500	-	-	25,172	21,689	3,483	-
Employee benefits	-	22,000	-	-	22,000	20,407	1,593	-
Contingency	-	10,000	-	-	10,000	-	10,000	-
Town Hall operations	1,794	22,000	-	-	23,794	21,385	2,409	-
Legal	7,284	8,000	-	-	15,284	10,796	4,488	-
Planning Board	1,588	1,000	-	400	2,988	1,742	-	1,246
Code Enforcement Officer	13,729	18,500	-	4,803	37,032	19,863	17,169	-
Northport Village Corp.	-	25,000	-	-	25,000	25,000	-	-
	<u>26,067</u>	<u>331,516</u>	<u>-</u>	<u>30,903</u>	<u>388,486</u>	<u>334,250</u>	<u>52,990</u>	<u>1,246</u>
Public Safety								
Fire department	5,158	35,000	(3,032)	-	37,126	37,126	-	-
Fire department chief's salary	-	20,800	-	-	20,800	10,300	10,500	-
Emergency management	-	2,000	-	-	2,000	2,000	-	-
Ambulance	-	11,171	-	-	11,171	11,171	-	-
First response medical team	18,386	18,225	(23,605)	2,000	15,006	15,006	-	-
E911 signs	-	-	-	24	24	17	7	-
Insurance	12,225	15,000	-	-	27,225	19,029	-	8,196
Animal control	5,274	8,500	-	1,309	15,083	7,722	-	7,361
	<u>41,043</u>	<u>110,696</u>	<u>(26,637)</u>	<u>3,333</u>	<u>128,435</u>	<u>102,371</u>	<u>10,507</u>	<u>15,557</u>

See accompanying independent auditors' report.

Schedule of Departmental Operations (2 of 3)

Town of Northport, Maine

For the Year Ended June 30, 2013

	Beginning Balance	Appropriations	Budget Transfer	Other Credits	Total Available	Expended	Balances	
							Lapsed	Carried
Public Works								
Roads and bridges	\$ 264,442	\$ 125,000	\$ -	\$ 269,839	\$ 659,281	\$ 273,206	\$ -	\$ 386,075
Snow removal and sanding	-	200,000	-	-	200,000	159,543	40,457	-
	<u>264,442</u>	<u>325,000</u>	<u>-</u>	<u>269,839</u>	<u>859,281</u>	<u>432,749</u>	<u>40,457</u>	<u>386,075</u>
Unclassified								
Cemetery	5,241	15,000	-	386	20,627	15,278	-	5,349
Cemetery development	8,014	-	-	-	8,014	300	-	7,714
Social services	-	7,000	-	-	7,000	7,000	-	-
Belfast Free Library	-	3,500	-	-	3,500	3,500	-	-
County tax	-	551,503	-	-	551,503	551,503	-	-
General assistance	9,581	2,000	-	2,621	14,202	3,770	-	10,432
Wyman Needy Fund	-	-	-	200	200	200	-	-
Snowmobile club payment	305	-	-	139	444	305	-	139
Northport Harbor Fund	46,675	-	(20,000)	10,985	37,660	8,856	-	28,804
Northport needy families	630	-	-	-	630	-	-	630
Northport scholarship	-	5,000	-	-	5,000	2,500	2,500	-
Northport Warm Neighbors Fund	300	-	-	3,000	3,300	-	-	3,300
Abatements	-	-	-	-	-	5,504	(5,504)	-
	<u>70,746</u>	<u>584,003</u>	<u>(20,000)</u>	<u>17,331</u>	<u>652,080</u>	<u>598,716</u>	<u>(3,004)</u>	<u>56,368</u>

See accompanying independent auditors' report.

Schedule of Departmental Operations (3 of 3)

Town of Northport, Maine

For the Year Ended June 30, 2013

	Beginning Balance	Appropriations	Budget Transfer	Other Credits	Total Available	Expended	Balances	
							Lapsed	Carried
Education	\$ -	\$ 2,679,881	\$ -	\$ -	\$ 2,679,881	\$ 2,679,881	\$ -	\$ -
Health & Sanitation								
Septage contract	-	4,000	-	-	4,000	4,000	-	-
Transfer station	69,667	35,000	-	53,140	157,807	90,327	-	67,480
	69,667	39,000	-	53,140	161,807	94,327	-	67,480
Debt Service	-	34,056	-	-	34,056	34,056	-	-
Assigned Accounts								
Cemetery Capital Reserve	-	-	-	1,600	1,600	-	-	1,600
Wyman Park	4,071	-	-	5	4,076	400	-	3,676
Fire Watch	799	-	-	1	800	-	-	800
Fire Truck Replacement	113,356	20,000	3,032	1,205	137,593	-	-	137,593
Town Wharf	2,427	-	-	3	2,430	-	-	2,430
Sand/Salt Shed	15,910	-	-	3	15,913	104	-	15,809
First Responders Equipment Reserve	-	-	23,605	-	23,605	-	-	23,605
Marine Reserve Fund	31,291	-	20,000	4,594	55,885	-	-	55,885
	167,854	20,000	46,637	7,411	241,902	504	-	241,398
	\$ 639,819	\$ 4,124,152	\$ -	\$ 381,957	\$ 5,145,928	\$ 4,276,854	\$ 100,950	\$ 768,124

See accompanying independent auditors' report.