

City of Presque Isle, Maine



Comprehensive Annual Financial Report

*For the Fiscal Year Ended
December 31, 2014*

Cover photo: Presque Isle Landfill Closure System Project Phase I

City of Presque Isle, Maine

Comprehensive Annual Financial Report

For the Fiscal Year Ended
December 31, 2014

Prepared by:
City of Presque Isle
Finance Department

CITY OF PRESQUE ISLE, MAINE
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2014

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INTRODUCTORY SECTION

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City of Presque Isle

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April 15, 2015

To the City Councilors and
The Citizens of Presque Isle, Maine

Maine state statutes and the Presque Isle City Charter require that the City issue annually a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended December 31, 2014.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that is established for that purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The firm of RHR Smith and Company, Certified Public Accountants, has issued an unqualified ("clean") opinion on the City of Presque Isle, Maine's financial statements for the year ended December 31, 2014. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the City of Presque Isle, Maine

The City of Presque Isle, Maine is located in central Aroostook County, the northernmost and largest of Maine's sixteen counties and the largest county east of the Mississippi River. The city currently occupies approximately 72 square miles and serves a population of 9,692. Presque Isle was first incorporated as a township on April 4, 1859 and incorporated as a City in 1939. Under Maine statutes, the City is empowered to levy a property tax on both real and personal property within its boundaries.

The City operates under a municipal charter approved by the voters of the community November 2, 1993 that provides for a council-manager form of government. Policy making and legislative authority is vested in a seven-member City Council. Councilors are elected on a non-partisan basis for four-year staggered terms. The City Manager is the chief administrative officer of the City and is appointed by the Council, as are the City Solicitor and City Clerk. The current City Manager was appointed by the City Council in March, 2010.

The City of Presque Isle provides a full range of services including police and fire protection; refuse collection; traffic control; on- and off-street parking; the construction and maintenance of highways, streets, sidewalks, and other infrastructure; recreational and cultural activities; a secure landfill; regional airport; social welfare; municipal planning, assessing, building inspection and code enforcement; licenses and permits; vital statistics; general administration and economic development.

The annual budget for the general fund serves as the foundation for the City's financial planning and control. The budget, which must be in balance, contains estimates of all non-tax revenue and receipts expected to be received during the next fiscal year, expenditures necessary to support City operations, debt service, and capital expenditures. The initial budget must be presented to the Council by the City Manager no later than 90 days before the beginning of the fiscal year on January 1. The Council may then make any modifications and recommendations. The City Council is required to hold two public hearings on the proposed budget before final approval. The budget must be approved by a two-thirds majority of the City Council before the beginning of the fiscal year on January 1.

The budget includes information, by department, on the current and preceding fiscal years and requested appropriations for the next fiscal year. The City Manager may transfer resources within a department, promptly notifying the Council in writing of the reallocation. Transfers between departments require special approval from the Council. Expenditures may not legally exceed appropriations at the departmental level without Council approval. Budget-to-Actual comparisons are provided on page_____ of this report.

Factors Affecting Financial Condition

Local Economy

The City of Presque Isle is the largest municipality north of Bangor. Through the years, Presque Isle has evolved into a regional service center for commerce, finance, education, health care, recreation, air transportation, and numerous other aspects of life in Aroostook County. This evolutionary process is attributable to several factors including:

- Historical and geographical influences;
- A clear assumption of a leadership role by the municipal government;
- The active involvement of Presque Isle citizens in regional, county, and statewide projects, politics, agencies and organizations;
- The aggressively self-reliant nature that has been characteristic of Aroostook County residents.

These factors have helped to sustain the City in times of economic hardship including the closing of a military installation and a significant downturn in the woods and agriculture industries, all mainstays of the area.

Other factors that contribute to the economic stability of the City include:

- Presque Isle is home to Northern Maine Regional Airport, the state's third largest airport,
- The Skyway Industrial Park, the third largest Industrial Park in the state,
- Educational opportunities include:
 - University of Maine at Presque Isle,
 - Northern Maine Community College,
 - An extension of Husson University,
 - An outstanding public school system,
 - A private school for grades pre-K - 8.
- Excellent medical services include a local hospital and ambulance service.
- An active Industrial Council that works to attract new businesses to the area.

The major industries affecting the local economy, agriculture and service, continue to be key components of the region's economic base. The two major agricultural industries, potato and woods, continue to struggle. Planted potato acreage, though lower than historical, remains stable. A third, broccoli, is doing well in the County.

The City has a balanced and fairly diverse tax base with a 55 to 45 split between residential and commercial property values. The largest single tax payer in 2014 comprised 3.93% of the total tax base with the top ten taxpayers combined representing 17.92% of the total tax base.

Long-term financial planning

Each year, in planning for the future, the City identifies those major programs necessary to meet the citizens' needs for services while continuing to meet sharply increasing fixed costs. Among these programs are road construction and repair, vehicle equipment purchases, building renovations, and recreational activities. These initiatives are done in accordance with the City's basic financial planning document, its Five Year Capital Improvement Plan, which is reviewed and updated annually.

The Capital Plan for 2015 calls for:

- Purchasing a cruiser for the Police Department;
- Sidewalk replacement at the passenger terminal at the Airport;
- Replacing a pick-up truck with snow plow attachment at Public Works;
- Improvements (resurfacing) to the Bike Path;
- Ongoing investments in Information Technology; and
- Reconstruction on the General Aviation Ramp at the Northern Maine Regional Airport.

In addition, this year's Capital Improvement Plan includes continued funding of the reserves for maintenance and improvements to various buildings at the Industrial Park and to add to the balance in the Emergency Reserve.

Relevant financial policies

The City of Presque Isle has in place a comprehensive set of financial policies including the implementation and use of the City's Emergency Reserve.

By charter, the City maintains an Emergency Reserve to be used only in extraordinary circumstances with unanimous City Council approval. This reserve is funded through an appropriation each year, mandated by the City Charter in the amount of 1.5% of the City's net municipal budget to a maximum of .5% of the current state valuation. Funds in this reserve have been used twice since its inception in 1993.

The City Council adopted a policy in 2009 stating that the amount that should be maintained in the General Fund unassigned fund balance should be 16.6%, or two months of budgeted expenditures. This amount can be reduced to 12% if an additional 4% is maintained in the emergency reserve for a total of 16%. At December 31, 2014, the unassigned fund balance in the general fund is 6.79% of the 2015 budgeted general fund expenditures. The balance in the Emergency Reserve is 10.39% of budgeted expenditures for a total coverage of 17.18 % of projected 2015 budgeted expenditures.

Major initiatives

Airport As part of its Pavement Management Plan, the next major project planned at the Airport is the reconstruction of the General Aviation Ramp. This ramp was last reconstructed in 1989. Construction will begin in 2014 and when it is completed in 2016, it will be 7 years beyond the 20 year anticipated life projected by the FAA. The expected total cost of the project is \$6,000,000 with 95% to be funded by the FAA, 2.5% by the state and 2.5% from city funds.

Downtown Revitalization The future of the downtown of the City continues to be a major focus. What initially started as a grass roots effort by citizens to revitalize the downtown has become a major movement within the community. The *Downtown Revitalization Committee* is recognized as the formal committee and voice of downtown. Through their efforts a *Downtown Master Plan* was created in 2008 which included a number of design goals, strategies and proposed investments in the downtown business district.

Current projects include:

- The construction of a 'covered shelter' for a Community Market in the downtown area;
- In conjunction with Maine Department of Transportation complete the Bike Path around the City; and
- Improvements to the sidewalks and lighting in the downtown area.

Community Center A major initiative for the citizens of the City of Presque Isle is the construction of a new Community Center to replace the 75 year old William Haskell Recreation Center.

To date the City has purchased land in the downtown area and completed all of the hazardous material removal and remediation necessary to prepare the site for future construction; authorized and secured schematic drawings necessary to proceed with fund raising initiatives; and has the support of the citizens evidenced by the results of an advisory referendum with a vote of 2 to 1 in favor of the project.

This project, if completed as planned will cost an estimated \$7,500,000 with \$3,750,000 to be provided by local taxpayers.

The Forum Ice skating is an important part of winter activities in Northern Maine. The City of Presque Isle has maintained an ice rink at The Forum for over 25 years using the same equipment. The equipment will be updated in 2015 at an estimated cost of \$375,000.

Awards and acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Presque Isle, Maine for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2013. This was the 15th consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated service of the staff of the Finance Department. We wish to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Appreciation is also extended to the accounting firm of RHR Smith & Company, Certified Public Accountants for its assistance in the preparation and review of this report. Credit must also be given to the City Council for their unfailing support in maintaining the highest standards of professionalism in the City of Presque Isle's finances.

Respectfully submitted,

Priscilla Webb,
Finance Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

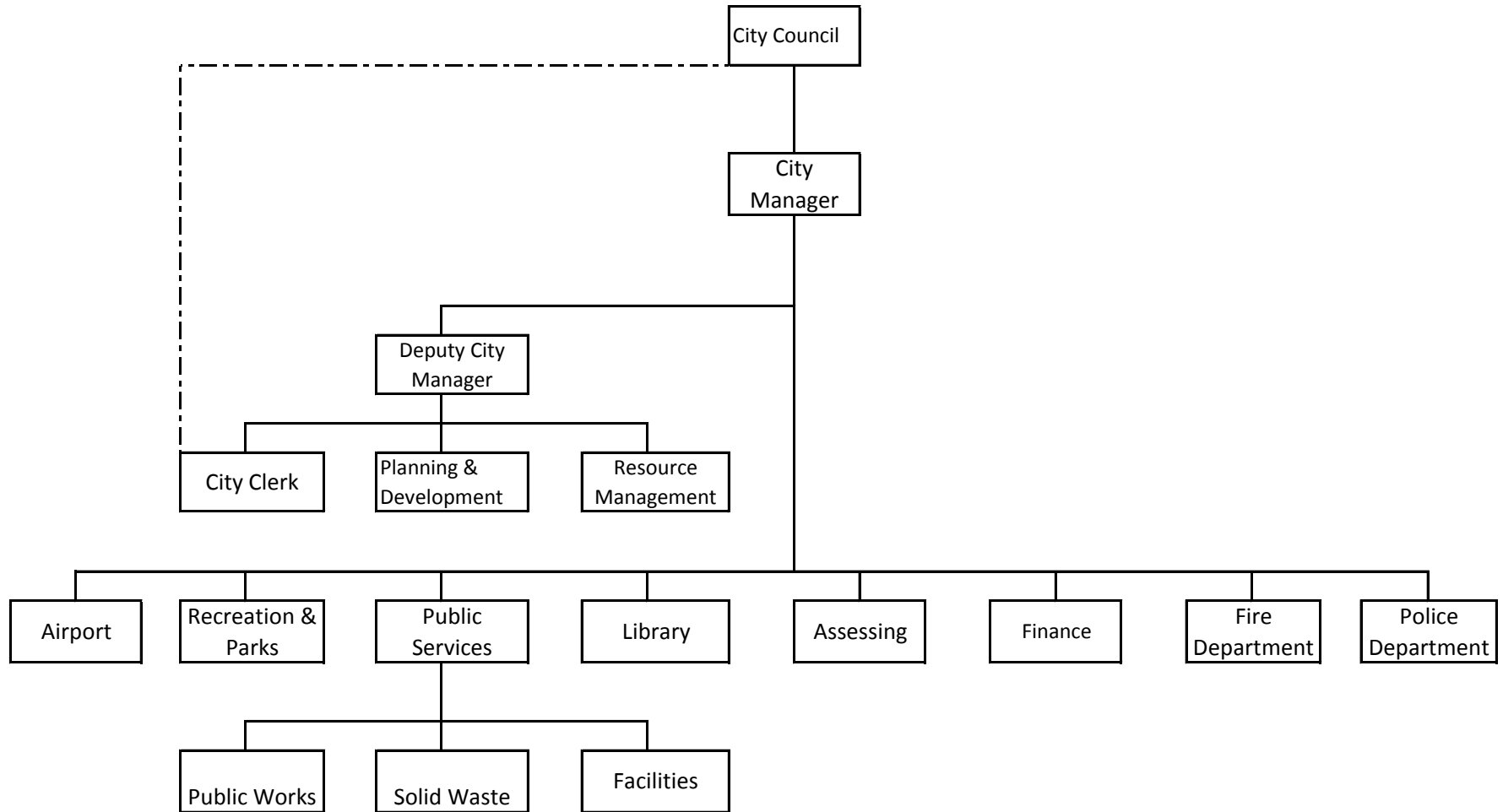
**City of Presque Isle
Maine**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2013

Executive Director/CEO

**City of Presque Isle
Organization Chart As of December 31, 2014**



CITY OF PRESQUE ISLE
LIST OF PRINCIPAL OFFICIALS
DECEMBER 31, 2014

Elected Officials

City Council Chair	Emily Smith
City Council Vice Chair	Michael Chasse
Council Member	Peter Hallowell
Council Member	Randy Smith
Council Member	Richard Engels
Council Member	Craig Green
Council Member	Leigh Smith

Appointed Officials

City Manager	James A Bennett
Assessor	Lewis Cousins
Airport Manager	Scott Wardwell
Finance Director	Priscilla Webb
Fire Chief	Darrell White
Librarian, Mark and Emily Turner Memorial Library	Sonja Plummer-Eyler
Police Chief	Matthew Irwin
Recreation and Parks Director	Christopher Beaulieu
Planning & Development Director	Ken Arndt
Public Services Director	Dana Fowler
Presque Isle Industrial Council Executive Director	Larry Clark

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FINANCIAL SECTION

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Proven Expertise and Integrity

INDEPENDENT AUDITORS' REPORT

City Council
City of Presque Isle
Presque Isle, Maine

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Presque Isle, Maine as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 not such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the

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reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation.

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 City of Presque Isle, Maine as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows, where applicable, thereof 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, budgetary comparison and schedule of funding progress information on pages 11 through 20 on pages 55 through 57 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Presque Isle, Maine's basic financial statements. The combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 27, 2015, on our consideration of the City of Presque Isle Maine's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Presque Isle's internal control over financial reporting and compliance.

RHR Smith & Company

Buxton, Maine
February 27, 2015

CITY OF PRESQUE ISLE
Management's Discussion and Analysis
December 31, 2014

As management of the City of Presque Isle, we offer this narrative overview and analysis of the financial activities of the City of Presque Isle for the fiscal year ended December 31, 2014.

Financial Highlights

- The assets of the City of Presque Isle exceeded its liabilities at the close of 2014 by \$59,903,812 (*net position*). Of this amount, \$5,497,287 represents unrestricted net position, which may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$1,221,147 from December 31, 2013:
 - Cash and investments decreased \$2,385,358 which was used for the secure landfill closure,
 - Capital assets net of depreciation decreased \$181,086, while associated debt decreased \$565,608,
 - Short term for landfill closure liability of \$2,400,000 was eliminated.
- As of the close of the current fiscal year, the City of Presque Isle's governmental funds reported a combined ending fund balance of \$9,859,157 a decrease of \$1,818,927 from the previous year. 8.89% of this total amount or \$876,221 is available for spending at the government's discretion (*unassigned fund balance*).
- At the end of the current year, unassigned fund balance for the general fund was \$1,220,800 or 6.8% of total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Presque Isle's basic financial statements. The City's financial statements have three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information intended to furnish additional support to the basic financial statements themselves.

The **Basic Financial Statements** include financial information in two differing views: The government-wide financial statements and the fund financial statements. These basic financial statements also include the notes to the financial statements that explain in more detail certain information in the financial statements and also provide the user with the accounting policies used in their preparation.

Government-Wide Financial Statements are designed to provide readers with a broad overview of the City of Presque Isle's finances. These statements are presented using the accrual basis of accounting which is similar to the accounting method used by most private sector businesses. There are two Government-Wide Financial Statements, the *statement of net position* and the *statement of activities*.

The *statement of net position* presents information on all of the City of Presque Isle's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. However, you may also need to consider other non-financial factors, such as changes in the City's property tax base and the condition of the City's infrastructure, to assess the overall health of the City's financial position.

The *statement of activities* presents information showing how the City of Presque Isle's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event causing the change occurs, *regardless of the timing of the related cash flows*. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused employee vacation leaves).

CITY OF PRESQUE ISLE
Management's Discussion and Analysis
December 31, 2014

For the City of Presque Isle, all activities are classified as *governmental activities* because they are principally supported by taxes and intergovernmental revenues (federal and state grants). Most of the City's basic services are reported in governmental activities, which include general government, public safety, public works, education, recreation and culture and other unclassified.

The government-wide financial statements can be found on pages 14 through 16 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Presque Isle, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal documents. All of the funds of the City can be divided into two categories: governmental and fiduciary.

Governmental Funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's short-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *government funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the city's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between *governmental funds* and *governmental activities*.

The City of Presque Isle maintains individual governmental funds for specific purposes. Information is presented separately in the *governmental fund balance sheet* and in the *governmental funds statement of revenues, expenditures and changes in fund balance* for the general fund, airport, landfill operations, secure landfill closure, development fund, and the emergency reserve, all of which are considered to be major funds. Data from the other governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City of Presque Isle adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 17 through 20 of this report.

Fiduciary Funds. These funds are used to account for resources held for the benefit of parties outside the City of Presque Isle. These funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the City's programs. The accounting used for fiduciary funds is much like that of proprietary funds. They use the accrual basis of accounting. The funds are for ICMA-Retirement Corporation, the administrator of the City's employees 401 (a) Plan.

Notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 23 through 46 of this report.

Other information In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* consisting of:

CITY OF PRESQUE ISLE
Management's Discussion and Analysis
December 31, 2014

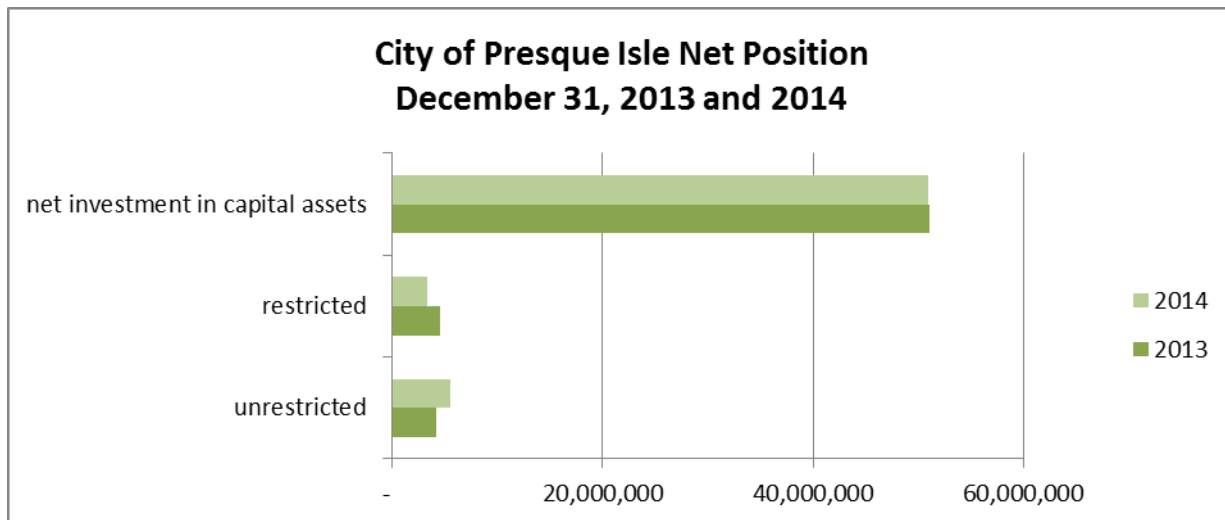
The City of Presque Isle's progress in funding its obligation to provide OPEB benefits to its employees, and a budgetary comparison statement for the general fund to demonstrate compliance with budget. *Other supplementary information* follows the *required supplementary information* and provides additional information regarding non-major funds, capital asset activity and other detailed budgetary information for the general fund.

Required supplementary information can be found on pages 48 through 50 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented following the required supplementary information on pensions and OPEB. Combining and individual fund statements can be found on pages 52 through 81 of this report.

Government-Wide Overall Financial Analysis

As noted earlier, net position may serve as a useful indicator over time of a government's financial position. For the City of Presque Isle, assets and deferred inflows of resources exceeded liabilities and deferred outflows of resources by \$59,903,812 at December 31, 2014.



By far the largest portion of the City of Presque Isle's net position \$51,001,689 (85.14%) reflects its investment in capital assets (e.g., land, buildings, infrastructure, machinery and equipment) less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide a wide variety of services to citizens; consequently, these assets are *not* available for future spending. Although the City of Presque Isle's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City of Presque Isle's net position \$3,404,836 (5.68%) represents resources that are subject to external restrictions on how they may be spent. The remaining balance of \$5,497,287 (9.18%) is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors. At the end of the current fiscal year, the City of Presque Isle is able to report a positive balance in all reported categories of net position for the government as a whole. The same situation held true for the prior fiscal year.

CITY OF PRESQUE ISLE
Management's Discussion and Analysis
December 31, 2014

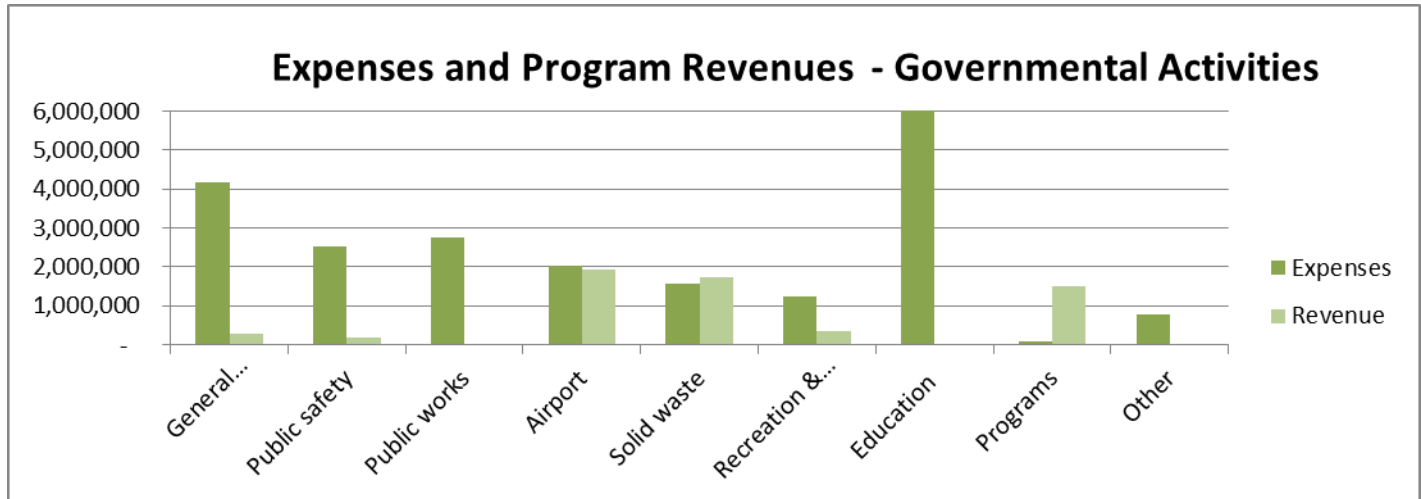
City of Presque Isle
Statement of Changes in Net Position

	2014	2013
Revenues		
Program Revenues		
Charges for services	\$ 4,899,374	\$ 4,660,497
Operating/capital grants and contributions	1,042,892	1,232,623
General Revenues		
Property taxes	13,076,652	12,596,704
Excise taxes	1,526,280	1,536,329
Grants and contributions not restricted to specific programs	1,428,254	1,405,817
Interest Income	139,957	192,935
Other	<u>379,603</u>	<u>113,755</u>
Total Revenues	22,493,012	21,738,660
Expenses		
General government	3,713,425	3,835,394
Public safety	2,508,598	2,751,289
Public works	2,741,027	1,168,013
Airport	2,031,029	3,342,171
Solid waste	1,573,640	1,221,998
Recreation and culture	1,237,803	1,515,441
Education	6,150,296	5,790,920
County tax	603,602	613,702
TIF	131,373	133,554
Unclassified	354,254	133,477
Program expenditures	96,865	-
Interest on debt service	<u>129,953</u>	<u>623,921</u>
Total Expenses	<u>21,271,865</u>	<u>21,129,880</u>
Increase (decrease) in net position	1,221,147	608,780
Net Position -- January 1	<u>58,682,665</u>	<u>58,073,885</u>
Net Position -- December 31	<u>\$ 59,903,812</u>	<u>\$ 58,682,665</u>

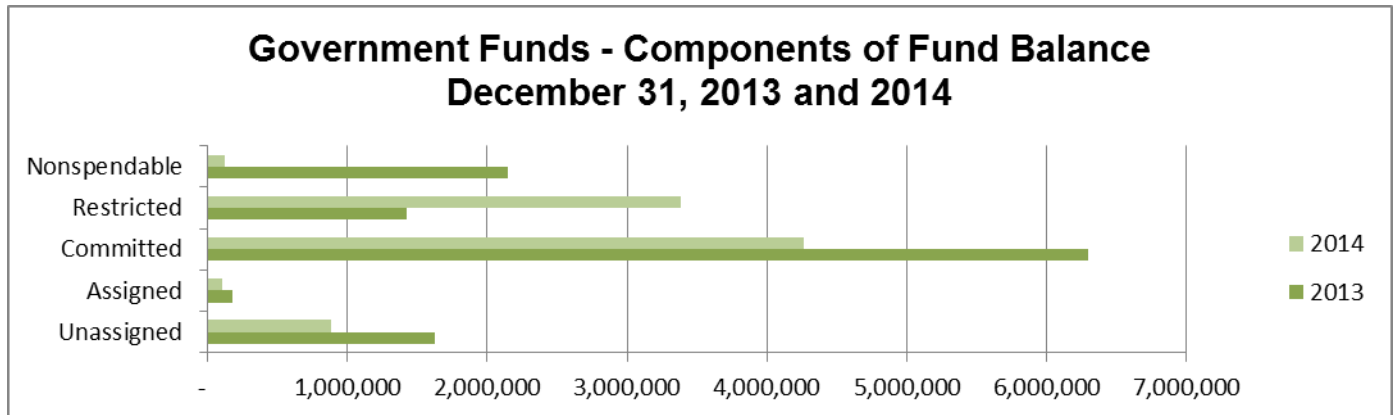
Governmental Activities Governmental activities resulted in a increase in the City of Presque Isle's net position of \$1,221,147 from the previous year for an ending balance of \$59,903,812.

As noted earlier, the City of Presque Isle uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

CITY OF PRESQUE ISLE
Management's Discussion and Analysis
December 31, 2014



The financial reporting focus of the City of Presque Isle's **governmental funds** is to provide information on near-term inflows, outflows and balance of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City of Presque Isle itself, or a group or individuals that has been delegated authority to assign resources for use for particular purposes by the City of Presque Isle's Council.



As of December 31, 2014, the City of Presque Isle's governmental funds reported combined fund balance of \$9,859,157, a decrease of \$1,818,927 from 2013. Approximately 8.93% of the total amount (\$876,221) constitutes *unassigned fund balance*, which is available to meet the future financial needs of the City. The remainder of the fund balance (\$8,982,936) consists of:

- \$1,222,694 (12.4%) is *nonspendable* to indicate that it is not available for new spending:
 - \$81,911 is Fuel Inventory for Resale at the Airport, and
 - \$20,000 in nonspendable principal in Permanent Funds,
 - \$170,500 in prepaid expenses in the General Fund, and
 - \$950,283 is loans outstanding in the Development Fund.
- \$3,384,386 (34.33%) is *restricted* to indicate that it can only be spent for specific purposes stipulated by external resource providers, for example grant providers:

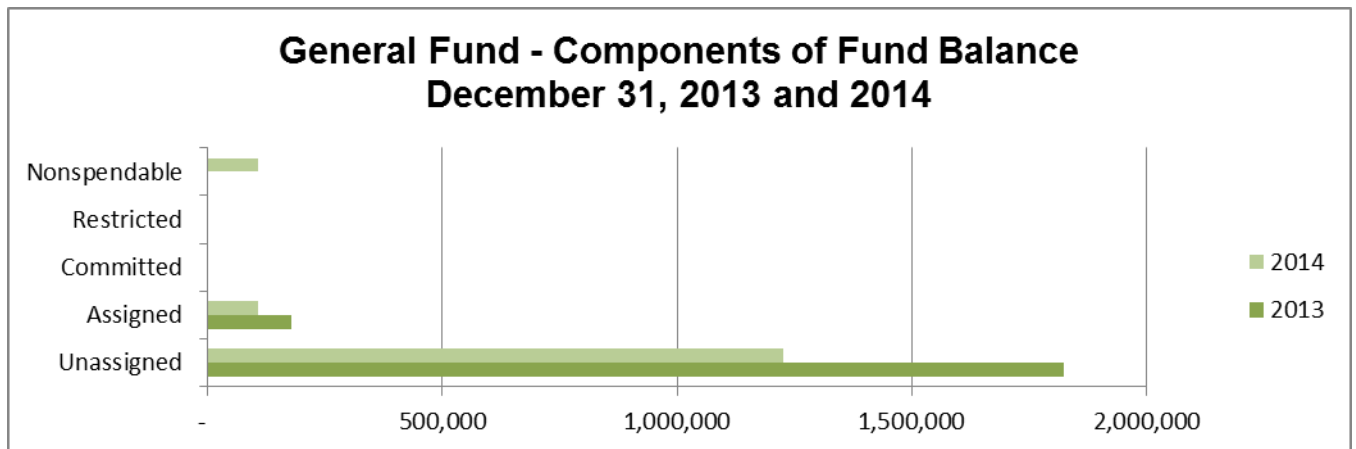
CITY OF PRESQUE ISLE
Management's Discussion and Analysis
December 31, 2014

- \$1,118,383 in funds available for lending in the Development Fund, and
 - \$2,266,453 to account for various grants and donations throughout the City,
- \$4,268,174 (47.51%) is *committed* to indicated amounts that can be used only for specific purposes formally designated by the City Council:
 - \$1,868,774 to account for the Emergency Reserve Fund,
 - \$229,688 is an inter-fund receivable from Solid Waste Operations Fund, and
 - \$2,169,712 for various capital projects throughout the City.
- \$107,232 (1.09%) is *assigned* to indicate amounts that are intended for specific purposes but are neither restricted nor committed.
- \$876,221 (8.89%) is *unassigned* to indicate amounts that have not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes.

The *general fund* is the central operating fund of the City of Presque Isle. At the end of the current fiscal year, unassigned fund balance of the general fund was \$1,220,800 a decrease of \$513,850 from 2014 as follows:

- \$464,510 was used for architectural drawings for the proposed new community center,
- The balance was used to help to fund the 2014 municipal budget.

As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents approximately 6.8 per cent of total general fund expenditures, while total fund balance represents approximately 8.34 per cent of that same amount.



The *Airport Fund* is used to monitor the activities of the City's airport. During 2014 the airport generated \$1,900,285 in revenue, expended \$2,031,029 and the difference \$91,531 was transferred in from the City's General Fund.

The *Landfill Operations Fund* is used to monitor the revenue and expenses of the secure landfill. The Secure landfill is a joint project with six other surrounding communities. The City of Presque Isle funds approximately 82% of the operating costs. The fund balance is transferred into the Solid Waste Reserve for Equipment and Capital Improvements at the start of the new year.

The *Secure Landfill Closure Reserve* is used to monitor funds for the costs of closure. During 2014, \$2,546,927 was used to construct the permanent closure of Phase I of the Secure Landfill, \$5,728 constituted earnings on investments, and \$170,327 was received from the state from a program that reimburses 75% of Landfill Closure Costs.

CITY OF PRESQUE ISLE
Management's Discussion and Analysis
December 31, 2014

The *UDAG Revolving Fund* manages funds from the Federal Government and is used as a revolving fund for the purpose of lending money for economic development. Currently there are 13 loans outstanding totaling \$950,283; one inter-city loan in the amount of \$144,458 and \$973,925 available for lending.

The *Emergency Reserve* was created by City Charter to meet 'unanticipated, extraordinary needs'. This account is funded by an appropriation of 1.5% of the City's net annual budget appropriation. Expenditures require a unanimous vote of all Councilors but only for 'unanticipated, extraordinary needs'. In 2014, the City contributed \$91,550 to this fund, \$4,387 constituted earnings on investments, and the City Council by unanimous voted transferred \$95,000 to the General Fund to help cover costs of an unusually harsh winter.

Other governmental funds include the activities of all other nonmajor special revenue funds, nonmajor capital projects funds and nonmajor permanent funds.

General Fund Budgetary Highlights

The General Fund budget overall (on a budgetary basis of accounting), ended the year with revenue \$172,948 above estimates and expenses were \$93,783 above estimates, an additional amount of \$582,285 (utilization of unassigned fund balance) was used for a decrease to surplus of \$503,119 at year end.

Resources (inflows) for the General Fund (on the budgetary basis of accounting) totaled \$17,475,471 for the year ended December 31, 2014, an increase of \$298,827 from 2013:

- For both the current and prior years, real estate taxes represent the largest revenue source-- \$12,942,351 or 74.1% of all general fund revenues, an increase of \$448,742 or 3.6% from 2013. Excise tax collections of \$1,526,280, a decrease of \$10,049, represents 8.7% of total revenues.
- Intergovernmental revenues of \$1,358,453 or 7.8% of total revenues decreased \$217,372 (13.8%) from 2013 primarily due to a decrease in state revenue sharing.

Charges to Appropriations (outflows) from the General Fund (on the budgetary basis of accounting) totaled \$17,978,591 for the year ended December 31, 2014, an increase of \$662,706 over 2013:

- Education expenditures of \$6,150,296, 34.2% of total expenditures, increased \$359,376 from 2013.
- General Government expenditures of \$3,400,733 (18.9% of the total) increased \$168,669 from 2013.
- Public Works expenditures of \$2,034,957 (11.3% of the total) decreased \$184,268 from 2013.

The following schedule provides a summary of General Fund revenues and expenditures on the budgetary basis of accounting for the year 2014 and the change from 2013.

CITY OF PRESQUE ISLE
Management's Discussion and Analysis
December 31, 2014

City of Presque Isle
General Fund Analysis of Revenues and Expenses
for the Year Ended December 31, 2014

Revenues	Amount	Percent of Total	Increase/ (Decrease) from 2013
Taxes			
Real Estate	12,942,351	74.1%	448,742
Excise	1,526,280	8.7%	(10,049)
Intergovernmental	1,358,453	7.8%	(217,372)
Charges for services	1,293,813	7.4%	65,181
Unclassified	99,301	0.6%	(104,096)
Interest earned	16,333	0.1%	(7,655)
Other revenue	80,345	0.5%	36,713
Transfers from other funds	<u>158,595</u>	<u>0.9%</u>	<u>91,703</u>
Total Revenues	17,475,471	100.0%	303,167
 Expenditures			
General government	3,400,733	18.9%	168,669
Public safety	2,211,665	12.3%	6,008
Public works	2,034,957	11.3%	(184,268)
Solid waste	847	0.0%	(192)
Recreation and culture	1,057,313	5.9%	(106,104)
Education	6,150,296	34.2%	359,376
Agency	603,602	3.4%	(10,100)
TIF	131,373	0.7%	(2,181)
Unclassified	372,074	2.1%	141,666
Debt Service	279,889	1.6%	(6,840)
Transfers Out	<u>1,735,842</u>	<u>9.7%</u>	<u>296,672</u>
Total Expenditures	17,978,591	100.0%	662,706

Capital Asset and Debt Administration

Capital Assets As of December 31, 2014, the City of Presque Isle's investment in capital assets was \$59,234,384 (net of depreciation), a decrease of \$181,086 or 0.3% from December 31, 2013. Physical assets increased \$3,003,452 and depreciation was \$3,184,538. This investment in capital assets includes building, improvements, machinery, equipment, roads and airport improvements and runways.

Major capital asset events during the current fiscal year include:

- Equipment purchases:
 - Police Cruiser, \$29,826,

CITY OF PRESQUE ISLE
Management's Discussion and Analysis
December 31, 2014

- Aircraft Tug, \$40,000,
- An Excavator for the Airport, \$35,000
- Fire Truck, \$503,722,
- Fire Rescue Boat, \$31,663,
- Road improvements \$418,680,
- Improvements to Airport runways \$571,721,
- Improvements to the Library \$916,542.

City of Presque Isle
Schedule of Capital Assets (net of depreciation)

	<u>2014</u>	<u>2013</u>
Land	\$ 5,670,341	\$ 5,670,341
Construction in progress	2,934,158	1,276,473
Works of art and historical treasures	698,990	698,990
Buildings and improvements	11,957,626	12,606,060
Improvements other than buildings	1,231,670	1,357,674
Machinery, equipment and vehicles	5,189,492	5,141,944
Infrastructure	<u>31,552,107</u>	<u>32,663,988</u>
Total assets net of depreciation	<u>\$ 59,234,384</u>	<u>\$ 59,415,470</u>

Additional information about the City of Presque Isle's capital assets can be found in the notes to the financial statements on pages 34 and 35 of this report.

City of Presque Isle
Schedule of Long Term Debt

	<u>2014</u>	<u>2013</u>
Bonds Payable	\$ 7,643,574	\$ 8,120,093
Notes Payable	<u>340,580</u>	<u>364,291</u>
	<u>\$ 7,984,154</u>	<u>\$ 8,484,384</u>

Long-term debt At the end of the current year, the City of Presque Isle had total bonded debt outstanding of \$7,643,574, a decrease of \$476,519 or 5.9% from 2013 from regularly scheduled note payments. Notes Outstanding totaled \$340,580 as of December 31, 2014. All of the City's outstanding debt is backed by the full faith and credit of the City.

State statutes limit the amount of general obligation debt a municipality may incur to 7.5 % of its total state assessed valuation. The current debt limitation for the City is \$42,427,500 which is significantly in excess of the City's outstanding general obligation debt at December 31, 2014 of \$7,984,154.

CITY OF PRESQUE ISLE
Management's Discussion and Analysis
December 31, 2014

Additional information on the City of Presque Isle's long-term debt can be found in the notes to the financial statements on pages 35 through 37 of this report.

Economic Factors and Next Year's Budget

In preparing the City's 2015 budget, City management and officials considered many factors in making judgments and estimates about the finances of the upcoming year. A primary objective was to continue to provide basic services to the citizens of the City while attempting to keep the property tax low.

During the 2015 fiscal year, the City's management will continue to monitor and evaluate local economic conditions. Items of concern include:

Revenue projections:

- A possible continued reduction in the Municipal Revenue Sharing pool resulting from a slowdown in the state's tax receipts and possible changes in how the State calculates the revenue sharing pool;
- General Assistance payments have increased significantly since unemployment benefits were not extended.
- A decline in taxable assessed values is resulting in decreased property tax revenue.

Expenditure projections:

- Continuing uncertainty in the State budget regarding local school funding is a concern. While the school district is separate from the City, the City is responsible for 73.62% of the School District's funding at this time. Currently the school district requires an increase of 3% each year to maintain its current level of services. If the state should decrease its funding, the City would need to proportionately increase its share to keep the same level of services.
- Decreasing revenue on the investments for pension funds have resulted in an unfunded pension liability that has caused a sharp increase in the rate charged by MainePers (Maine State Retirement).
- The state of unrest in global conditions may easily lead to significant increases in the cost of fuel and electricity.
- Rising cost of health insurance
- The city will again be negotiating contracts with 4 of the City's unions beginning in June 2015.

Requests for Information

This financial report is designed to provide a general overview of the City of Presque Isle's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, 12 Second Street, Presque Isle, Maine 04769.

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BASIC FINANCIAL STATEMENTS

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CITY OF PRESQUE ISLE, MAINE

STATEMENT OF NET POSITION
DECEMBER 31, 2014

	<u>Governmental Activities</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 4,688,198
Investments	3,377,388
Taxes receivable (net of allowance for uncollectibles)	1,338,189
Other receivables	1,753,595
Inventory	81,911
Prepaid expenses	170,500
Total current assets	<u>11,409,781</u>
Noncurrent assets:	
Capital assets:	
Land and other assets not being depreciated	9,303,489
Depreciable assets, net of accumulated depreciation	49,930,895
Total noncurrent assets	<u>59,234,384</u>
TOTAL ASSETS	<u><u>\$ 70,644,165</u></u>
LIABILITIES	
Current liabilities:	
Accounts payable	\$ 299,717
Accrued payroll	124,511
Due to other governments	16,075
Other accruals	20,321
Current portion of long-term obligations	853,797
Total current liabilities	<u>1,314,421</u>
Noncurrent liabilities:	
Noncurrent portion of long-term obligations:	
Bonds payable	7,162,799
Notes payable	216,099
Landfill closure	917,047
Other postemployment benefits	986,338
Accrued compensated absences	143,649
Total noncurrent liabilities	<u>9,425,932</u>
TOTAL LIABILITIES	<u><u>10,740,353</u></u>
NET POSITION	
Net investment in capital assets	51,001,689
Restricted for:	
Special revenue funds	2,216,587
Permanent funds	751,313
Capital project funds	436,936
Unrestricted	5,497,287
TOTAL NET POSITION	<u><u>59,903,812</u></u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 70,644,165</u></u>

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

STATEMENT B

CITY OF PRESQUE ISLE, MAINE
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED DECEMBER 31, 2014

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue & Changes in Net Position
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Total Governmental Activities
Governmental activities:					
General government	\$ 3,575,601	\$ 202,119	\$ -	\$ -	\$ (3,373,482)
Public safety	2,508,598	89,871	87,736	-	(2,330,991)
Solid waste	1,573,640	1,720,313	-	-	146,673
Public works	2,741,027	-	-	-	(2,741,027)
Facilities	96,224	-	-	-	(96,224)
Recreation and culture	1,237,803	336,046	-	-	(901,757)
Airport	2,031,029	-	-	-	(2,031,029)
Education	6,150,296	-	-	-	(6,150,296)
County tax	603,602	-	-	-	(603,602)
TIF	131,373	-	-	-	(131,373)
Outside services	41,600	-	-	-	(41,600)
Unclassified	354,254	-	75,072	-	(279,182)
Program expenditures	96,865	2,551,025	880,084	-	3,334,244
Interest on debt service	129,953	-	-	-	(129,953)
Total governmental activities	<u>\$ 21,271,865</u>	<u>\$ 4,899,374</u>	<u>\$ 1,042,892</u>	<u>\$ -</u>	<u>(15,329,599)</u>

STATEMENT B (CONTINUED)

CITY OF PRESQUE ISLE, MAINE

STATEMENT OF ACTIVITIES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Governmental Activities</u>
Changes in net position:	
Net (expense) revenue	<u>(15,329,599)</u>
General revenues:	
Tax revenue	14,602,932
Grants and contributions not restricted to specific programs	1,428,254
Interest income	139,957
Investment income, net of unrealized gains/(losses)	(43,904)
Miscellaneous	423,507
Total general revenues	<u>16,550,746</u>
Change in net position	1,221,147
NET POSITION - JANUARY 1	<u>58,682,665</u>
NET POSITION - DECEMBER 31	<u><u>\$ 59,903,812</u></u>

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

STATEMENT C

CITY OF PRESQUE ISLE, MAINE

BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2014

	General Fund	Airport	Landfill Operations	Landfill Closure	Development Fund	Emergency Reserve	Other Governmental Funds	Totals Governmental Funds
ASSETS								
Cash and cash equivalents	\$ 4,636,387	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51,811	\$ 4,688,198
Investments	2,677,886	-	-	-	-	-	699,502	3,377,388
Accounts receivable (net of allowance for uncollectibles):								
Taxes/liens	1,338,189	-	-	-	-	-	-	1,338,189
Other	803,312	-	-	-	950,283	-	-	1,753,595
Inventory	-	81,911	-	-	-	-	-	81,911
Prepaid items	170,500	-	-	-	-	-	-	170,500
Due from other funds	344,579	-	229,688	-	1,118,383	1,868,774	3,704,852	7,266,276
TOTAL ASSETS	\$ 9,970,853	\$ 81,911	\$ 229,688	\$ -	\$ 2,068,666	\$ 1,868,774	\$ 4,456,165	\$ 18,676,057
LIABILITIES								
Accounts payable	\$ 299,717	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 299,717
Accrued payroll	124,511	-	-	-	-	-	-	124,511
Due to other funds	6,921,697	120,932	-	20,987	-	-	202,660	7,266,276
Due to other governments	16,075	-	-	-	-	-	-	16,075
Other accruals	20,321	-	-	-	-	-	-	20,321
TOTAL LIABILITIES	7,382,321	120,932	-	20,987	-	-	202,660	7,726,900
DEFERRED INFLOWS OF RESOURCES								
Deferred tax revenues	1,090,000	-	-	-	-	-	-	1,090,000
TOTAL DEFERRED INFLOWS OF RESOURCES	1,090,000	-	-	-	-	-	-	1,090,000
FUND BALANCES								
Nonspendable	170,500	81,911	-	-	950,283	-	20,000	1,222,694
Restricted	-	-	-	-	1,118,383	-	2,266,453	3,384,836
Committed	-	-	229,688	-	-	1,868,774	2,169,712	4,268,174
Assigned	107,232	-	-	-	-	-	-	107,232
Unassigned	1,220,800	(120,932)	-	(20,987)	-	-	(202,660)	876,221
TOTAL FUND BALANCES	1,498,532	(39,021)	229,688	(20,987)	2,068,666	1,868,774	4,253,505	9,859,157
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 9,970,853	\$ 81,911	\$ 229,688	\$ -	\$ 2,068,666	\$ 1,868,774	\$ 4,456,165	\$ 18,676,057

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

CITY OF PRESQUE ISLE, MAINE

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2014

	Total Governmental Funds
Total Fund Balances	\$ 9,859,157
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation	59,234,384
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds shown above:	
Taxes and liens receivable	1,090,000
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Bonds payable	(7,643,574)
Notes payable	(340,580)
Landfill closure	(917,047)
Other postemployment benefits	(986,338)
Accrued Compensated Absences	(392,190)
	<u>59,903,812</u>
Net position of governmental activities	<u>\$ 59,903,812</u>

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

STATEMENT E

CITY OF PRESQUE ISLE, MAINE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	General Fund	Airport	Landfill Operations	Landfill Closure	Development Fund	Emergency Reserve	Other Governmental Funds	Totals Governmental Funds
REVENUES								
Tax revenue	\$ 14,567,932	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,567,932
Intergovernmental revenue	1,358,453	-	62,282	170,327	-	-	880,084	2,471,146
Charges for services	1,293,813	1,900,285	1,705,276	-	-	-	-	4,899,374
Interest income	16,333	-	-	-	-	-	123,624	139,957
Investment income, net of unrealized gains/(losses)	-	-	-	5,728	23,434	4,387	(77,453)	(43,904)
Other revenue	80,345	36,692	-	-	-	-	306,470	423,507
TOTAL REVENUES	17,316,876	1,936,977	1,767,558	176,055	23,434	4,387	1,232,725	22,458,012
EXPENDITURES								
Current:								
General government	3,262,909	-	-	-	-	-	-	3,262,909
Public safety	2,211,665	-	-	-	-	-	5,308	2,216,973
Solid waste	847	-	1,272,889	2,546,927	-	-	-	3,820,663
Public works	2,034,957	-	-	-	-	-	-	2,034,957
Facilities	96,224	-	-	-	-	-	-	96,224
Recreation and culture	1,057,313	-	-	-	-	-	-	1,057,313
Airport	-	2,031,029	-	-	-	-	-	2,031,029
Education	6,150,296	-	-	-	-	-	-	6,150,296
County tax	603,602	-	-	-	-	-	-	603,602
TIF	131,373	-	-	-	-	-	-	131,373
Outside services	41,600	-	-	-	-	-	-	41,600
Unclassified	372,074	-	-	-	-	-	-	372,074
Program expenditures	-	-	-	-	8,522	-	136,488	145,010
Debt service	279,889	-	350,294	-	-	-	-	630,183
Capital outlay	-	-	-	-	-	-	1,682,733	1,682,733
TOTAL EXPENDITURES	16,242,749	2,031,029	1,623,183	2,546,927	8,522	-	1,824,529	24,276,939
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,074,127	(94,052)	144,375	(2,370,872)	14,912	4,387	(591,804)	(1,818,927)
OTHER FINANCING SOURCES (USES)								
Transfers in	158,595	91,531	315,312	160,000	-	91,550	1,721,005	2,537,993
Transfers (out)	(1,735,842)	(36,500)	(428,567)	-	(28,000)	(95,000)	(214,084)	(2,537,993)
TOTAL OTHER FINANCING SOURCES (USES)	(1,577,247)	55,031	(113,255)	160,000	(28,000)	(3,450)	1,506,921	-
NET CHANGE IN FUND BALANCES	(503,120)	(39,021)	31,120	(2,210,872)	(13,088)	937	915,117	(1,818,927)
FUND BALANCES - JANUARY 1, RESTATED	2,001,652	-	198,568	2,189,885	2,081,754	1,867,837	3,338,388	11,678,084
FUND BALANCES - DECEMBER 31	\$ 1,498,532	\$ (39,021)	\$ 229,688	\$ (20,987)	\$ 2,068,666	\$ 1,868,774	\$ 4,253,505	\$ 9,859,157
See accompanying independent auditors' report and notes to financial statements.								

CITY OF PRESQUE ISLE, MAINE

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2014

Net change in fund balances - total governmental funds (Statement E)	<u>\$ (1,818,927)</u>
Amounts reported for governmental activities in the Statement of Activities (Statement B) are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense allocated to those expenditures over the life of the assets:	
Capital asset purchases	3,135,202
Capital asset deletions	(697)
Depreciation expense	<u>(3,315,591)</u>
	<u>(181,086)</u>
Revenues in the Statement of Activities that do not provide current financial resources are not reported.	
Taxes and liens receivable	<u>62,664</u>
Debt proceeds provide current financial resources to governmental funds, but long-term liabilities in the Statement of Net Position	<u>(134,161)</u>
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	<u>3,264,363</u>
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:	
Accrued compensated absences	<u>28,294</u>
Change in net position of governmental activities (Statement B)	<u><u>\$ 1,221,147</u></u>

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

CITY OF PRESQUE ISLE, MAINE

STATEMENT OF FIDUCIARY NET POSITION – FIDUCIARY FUNDS
DECEMBER 31, 2014

	Private- purpose Trusts
ASSETS	
Investments, at fair value	\$ 2,772,121
TOTAL ASSETS	<u>\$ 2,772,121</u>
LIABILITIES	
Accounts payable	\$ -
TOTAL LIABILITIES	<u>-</u>
NET POSITION	
Held in trust for special purposes	2,772,121
TOTAL NET POSITION	<u>2,772,121</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 2,772,121</u>

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

CITY OF PRESQUE ISLE, MAINE

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – FIDUCIARY FUNDS
DECEMBER 31, 2014

	Private- purpose Trusts
	<hr/>
ADDITIONS	
Contributions	\$ 375,498
Net increase (decrease) in the fair value of investments	106,229
Total additions	<hr/> 481,727 <hr/>
DEDUCTIONS	
Distributions	162,123
Miscellaneous	5,022
Total deductions	<hr/> 167,145 <hr/>
CHANGE IN NET POSITION	314,582
NET POSITION - JANUARY 1	<hr/> 2,457,539 <hr/>
NET POSITION - DECEMBER 31	<hr/> \$ 2,772,121 <hr/>

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

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CITY OF PRESQUE ISLE, MAINE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The City of Presque Isle was incorporated under the laws of the State of Maine. The City operates under City Council-Manager form of government and provides the following services: general government services, public safety, public works, health and welfare, education, and recreation.

The City's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The City's combined financial statements include all accounts and all operations of the City. We have determined that the City has no component units as described in GASB Statement No. 14 and amended by GASB Statement No. 39 and No. 61.

Government-Wide and Fund Financial Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds).

Both the government-wide and fund financial statements categorize primary activities as governmental. The City categorizes all activities of the City as governmental.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are (a) presented on a consolidated basis by column, and (b) are reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The City's net position are reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position. The City first utilizes restricted resources to finance qualifying activities.

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

CITY OF PRESQUE ISLE, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

capital-specific grants. For the most part, the interfund activity has been eliminated from these government-wide financial statements.

The net costs (by function) are normally covered by general revenue (taxes, certain intergovernmental revenues and charges for services, etc.).

The City does not allocate indirect costs. All costs are charged directly to the corresponding department.

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

Measurement Focus - Basic Financial Statements & Fund Financial Statements

The financial transactions of the City are reported in the 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, fund balances, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the City:

1. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of 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 City:

- a. The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
- c. Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities or equipment.

CITY OF PRESQUE ISLE, MAINE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- d. Permanent Funds are used to account for assets held by the City in trust for specific purposes.
- 2. Fiduciary Funds:

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support City programs. The reporting focus is on net position and changes in net position and are reported using accounting principles similar to proprietary funds. Component units that are fiduciary in nature have been excluded from these financial statements.

The City's fiduciary funds are presented in the fiduciary fund financial statements by type (private-purpose trusts). Since by definition these assets are being held for the benefit of a third-party (other local governments, private parties, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide financial statements.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Non-major funds by category are summarized into a single column, GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenses of either the fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

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 relates to the timing of the measurements made, regardless of the measurement focus applied.

- 1. 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.

- 2. Modified Accrual

The governmental fund 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"

CITY OF PRESQUE ISLE, MAINE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. 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.

Budget

The City'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:

1. Per City Charter, the City Manager must submit a budget to the City Council at least 90 days prior to the beginning of the next fiscal year.
2. The annual budget is prepared for the general fund and includes a net appropriation for the capital reserves, airport fund, and the landfill operations fund.
3. The legal level of budgetary control is at the department level.
4. The City Council must hold at least two public hearings.
5. The City Council must adopt the budget before the beginning of the next fiscal year.
4. The City does not adopt budgets for Special Revenue Funds.

Deposits and Investments

The City'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.

It is the City's policy to value investments at fair value. None of the City's investments are reported at amortized cost. For purposes of the statement of cash flows, all highly liquid investments with a maturity of three months or less when purchased are considered to be a cash equivalent. The City Treasurer is authorized by State Statutes to invest all excess funds in the following:

CITY OF PRESQUE ISLE, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- Obligations of the U.S. Government, its agencies and instrumentalities.
- Certificates of deposits and other evidences of deposits at banks, savings and loan associations, and credit unions.
- Repurchase agreements
- Money market mutual funds

Inventories

Inventories consist of expendable supplies held for consumption and are valued at cost. Under the consumption method, the costs of inventory items are recognized as expenditures when used. The airport fund inventory consists of diesel fuel and gasoline on hand at the end of the year. The cost value is determined using the first-in, first-out (FIFO) method.

Interfund Receivables and Payables

Any residual balances outstanding between governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances". Interfund balances and transactions have been eliminated in the government-wide financial statements.

Transactions Between Funds

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of both Governmental and Proprietary Funds.

Allowance for Uncollectible Accounts

The allowance for uncollectible accounts is estimated to be zero as of December 31, 2014.

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 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. Infrastructure such as streets, traffic signals, and signs 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 estimated useful lives.

CITY OF PRESQUE ISLE, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The assets are valued at historical cost when available and estimated historical cost where actual invoices or budgetary data was unavailable. Donated fixed assets are valued at their estimated fair market value on the date received. All retirements have been recorded by eliminating the net carrying values.

Infrastructure assets include roads, bridges, underground pipe (other than related to independently owned utilities), traffic signals, airport runways, etc. These infrastructure assets are likely to be the largest asset class of the City.

Estimated useful lives are as follows:

Buildings	20 - 50 years
Infrastructure	5 - 50 years
Machinery and equipment	2 - 30 years
Vehicles	3 - 25 years

Long-term Obligations

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in government-wide statements. The long-term debt consists primarily of notes or bonds payable and compensated absences.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary fund is the same in the fund statements as it is in the government-wide statements.

Compensated Absences

The City's policies regarding vacation and sick time do permit employees to accumulate earned but unused vacation and sick leave. The liability for these compensated absences is recorded as long-term debt in the government-wide financial statements. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources, while the proprietary funds report the liability as it is incurred. As of December 31, 2014, the City's liability for compensated absences is \$392,190.

CITY OF PRESQUE ISLE, MAINE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislations adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or restricted net position.

Fund Balance

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

Nonspendable – This includes amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact.

Restricted – This includes amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – This includes amounts that can be used only for specific purposes determined by a formal action of the City Council. The City Council is the highest level of decision-making authority of the City. Commitments may be established, modified, or rescinded only through a City Council meeting vote.

Assigned – This includes amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The authority for assigning fund balance is expressed by the City Council.

Unassigned – This includes all other spendable amounts. The general fund is the only fund that reports a positive unassigned fund balance amount. Other governmental funds besides the general fund can only report a negative unassigned fund balance amount.

CITY OF PRESQUE ISLE, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City meeting vote has provided otherwise in its commitment or assignment actions.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet will at times 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/expenditure) until then. The City currently has no deferred outflows of resources.

In addition to liabilities, the statement of financial position and or balance sheet will at times report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has only one type of item, deferred tax revenues, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, this item is reported in the governmental funds balance sheet. Prepaid taxes and advance payment of LRAP funding also qualify for reporting in this category. These items are reported in both the statements of net position and governmental funds balance sheet. All items in this category are deferred and recognized as an inflow of resources in the period that the amounts become available.

Revenue Recognition - Property Taxes - Modified Accrual Basis

The City's property tax for the current year was levied August 25, 2014 on the assessed value listed as of April 1, 2014, for all real and personal property located in the City. Taxes were due on October 15, 2014. Interest on unpaid taxes commenced on October 16, 2014, 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.

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

CITY OF PRESQUE ISLE, MAINE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Program Revenues

Program revenues include all directly related income items applicable to a particular program (charges for services, operating and capital grants).

Operating/Non-operating Proprietary Fund Revenues

Operating revenues consist mainly of direct revenue sources and/or charges for services applicable to that fund.

Encumbrance Accounting

Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year-end. The City does not utilize encumbrance accounting for its general fund.

Use of Estimates

During the preparation of the City's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingent items as of the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results may differ from these estimates.

NOTE 2 - DEPOSITS AND INVESTMENTS

The City's policies, which follow state statutes, authorize the City to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other states and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Maine, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. These investment policies apply to all City funds.

CITY OF PRESQUE ISLE, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

Deposits:

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the City will not be able to recover its deposits. The City does not have a policy covering custodial credit risk for deposits. However, the City maintains deposits in qualifying financial institutions that are a member of the FDIC or NCUSIF. At December 31, 2014, the City's cash balance of \$4,687,402 was comprised of bank deposits and cash equivalents totaling \$5,111,332. Of these bank deposits, \$553,076 was insured by federal depository insurance and consequently was not exposed to custodial credit risk and \$4,558,256 was collateralized with securities held by financial institutions in the City's name.

<u>Account Type</u>	<u>Bank Balance</u>
Checking accounts	\$ 952,893
ICS Savings account	4,003,729
Cash or cash equivalents	42,614
Money market accounts	112,095
	<u>\$ 5,111,332</u>

Investments:

Custodial credit risk for investments is that, in the event of failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Currently, the City does not have a policy for custodial credit risk for investments; however, the City seeks to minimize custodial credit risk by doing business with authorized institutions, depositories and broker/dealers. All of the City's investments of \$6,149,509 were covered by either FDIC or Securities Investor Protection Corporation (SIPC).

CITY OF PRESQUE ISLE, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 2 - CASH AND INVESTMENTS (CONTINUED)

At December 31, 2014, the City had the following investments and maturities:

Investment Type	Fair Value	N/A	<1 Year	1 - 5 Years
Peoples United Bank:				
Fixed income	\$ 155,408	\$ 155,408	\$ -	\$ -
Equities	512,253	512,253	-	-
Rea assets	31,510	31,510	-	-
ICMA:				
Stable value	576,007	576,007	-	-
Bond	220,039	220,039	-	-
Balance asset	1,304,971	1,304,971	-	-
U.S. stock	487,798	487,798	-	-
International/global stock	154,520	154,520	-	-
Specialty	28,785	28,785	-	-
Certificate of deposits	2,678,218	-	2,678,218	-
	<u>\$ 6,149,509</u>	<u>\$ 3,471,291</u>	<u>\$ 2,678,218</u>	<u>\$ -</u>

Credit risk – Statutes for the State of Maine authorize the City to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other states and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Maine, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. The City does not have an investment policy on credit risk.

Interest rate risk – is the risk that changes in interest rates will adversely affect the fair value of an investment. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from fluctuations in interest rates.

CITY OF PRESQUE ISLE, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at December 31, 2014 consisted of the following individual fund receivables and payables.

	Receivables (Due from)	Payables (Due to)
General fund	\$ 344,579	\$ 6,921,697
Airport	-	120,932
Landfill operations	229,688	-
Landfill closure	-	20,987
Development fund	1,118,383	-
Emergency reserve	1,868,774	-
Special revenue fund	1,291,235	937
Capital project fund	2,413,617	201,723
	<u>\$ 7,266,276</u>	<u>\$ 7,266,276</u>

NOTE 4 - CAPITAL ASSETS

The following is a summary of changes in capital assets at December 31, 2014:

	Balance, 1/1/14	Additions	Deletions	Balance, 12/31/14
<u>Governmental activities</u>				
Non-depreciated assets:				
Land	\$ 5,670,341	\$ -	\$ -	\$ 5,670,341
Construction in progress	1,276,473	1,657,685	-	2,934,158
Works of art & historical treasurer	698,990	-	-	698,990
	<u>7,645,804</u>	<u>1,657,685</u>	<u>-</u>	<u>9,303,489</u>
Depreciated assets:				
Land improvements	8,674,021	-	-	8,674,021
Buildings	23,652,973	-	-	23,652,973
Building improvements	8,978,473	84,910	-	9,063,383
Furniture and fixtures	205,257	-	(39,878)	165,379
Machinery & equipment	6,255,240	168,516	(72,288)	6,351,468
Vehicles	6,418,989	573,548	(19,584)	6,972,953
Infrastructure	48,146,130	650,543	-	48,796,673
	<u>102,331,083</u>	<u>1,477,517</u>	<u>(131,750)</u>	<u>103,676,850</u>

CITY OF PRESQUE ISLE, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 4 - CAPITAL ASSETS (CONTINUED)

	Balance, 1/1/14	Additions	Deletions	Balance, 12/31/14
Less: accumulated depreciation				
Land improvements	(7,316,347)	(126,004)	-	(7,442,351)
Buildings	(14,896,484)	(393,765)	-	(15,290,249)
Building improvements	(5,128,902)	(339,579)	-	(5,468,481)
Furniture and fixtures	(148,628)	(8,991)	39,181	(118,438)
Machinery & equipment	(3,712,978)	(340,853)	72,288	(3,981,543)
Vehicles	(3,875,936)	(343,975)	19,584	(4,200,327)
Infrastructure	(15,482,142)	(1,762,424)	-	(17,244,566)
	<u>(50,561,417)</u>	<u>(3,315,591)</u>	<u>131,053</u>	<u>(53,745,955)</u>
Subtotal	<u>51,769,666</u>	<u>(1,838,074)</u>	<u>(697)</u>	<u>49,930,895</u>
Net capital assets	<u>\$ 59,415,470</u>	<u>\$ (180,389)</u>	<u>\$ (697)</u>	<u>\$ 59,234,384</u>

Current year depreciation

General Government	\$ 321,491
Public Safety	291,625
Public Works	706,070
Airport	1,386,504
Solid Waste	429,411
Recreation	180,490
Total depreciation expense	<u>\$ 3,315,591</u>

NOTE 5 - LONG TERM DEBT

The following is a summary of changes in the long-term debt for the year ended December 31, 2014:

	Balance, 1/1/14	Additions	Deletions	Balance, 12/31/14	Due Within One Year
<u>Governmental Activities:</u>					
Bonds Payable	\$ 8,120,093	\$ -	\$ (476,519)	\$ 7,643,574	\$ 480,775
Notes Payable	364,291	-	(23,711)	340,580	124,481
Landfill closure	3,593,481	-	(2,676,434)	917,047	-
Other postemployment benefits	939,876	134,161	(87,699)	986,338	-
Accrued compensated absences	420,484	3,496	(31,790)	392,190	248,541
Total Governmental Activities	<u>\$ 13,438,225</u>	<u>\$ 137,657</u>	<u>\$ (3,296,153)</u>	<u>\$ 10,279,729</u>	<u>\$ 853,797</u>

CITY OF PRESQUE ISLE, MAINE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 5 - LONG TERM DEBT (CONTINUED)

The following is a summary of outstanding bonds payable:

\$2,600,000, 2001 General Obligation Bond due in annual installments and semiannual interest installments through November 2021. Interest is charged at a varying rate of 3.25% to 5.125% per annum. Annual principal installments are \$130,000.	\$ 910,000
\$1,145,000, 2007 General Obligation Bond due in annual installments and semiannual interest installments through November 2025. Interest is charged at a varying rate of 2.00% to 6.00% per annum. Annual principal installments vary from \$42,999 to \$91,297.	799,631
\$6,225,000, 2013 General Obligation Bond due in annual installments and semiannual interest installments through April 2033. Interest is charged at a rate of 0.7% per annum. Annual principal installments vary from \$291,057 to \$332,306.	5,933,943
	<u>\$ 7,643,574</u>

The following is a summary of outstanding notes payable:

\$38,200 Note payable to Katahdin Trust Company for a tractor with interest at 3.25%. Note matures on February 7, 2016 with annual installments of \$10,347.87.	\$ 19,684
\$60,000 Note payable to Katahdin Trust Company for an excavator with interest at 3.25%. Note matures on January 7, 2017 with annual installments of \$16,256.	45,694
\$500,000 Note payable to KeyBank National Association for a fire truck with interest at 1.99%. Note matures on October 1, 2018 with annual installments that vary from \$5,697 to \$224,799.	275,202
	<u>\$ 340,580</u>

CITY OF PRESQUE ISLE, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 5 - LONG TERM DEBT (CONTINUED)

The following is a summary of outstanding bond principal and interest requirements for the following fiscal years ending December 31:

	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2015	\$ 480,775	\$ 129,265	\$ 610,040
2016	485,135	128,028	613,163
2017	489,600	114,837	604,437
2018	494,175	100,233	594,408
2019	499,515	87,356	586,871
2020-2024	2,194,148	270,159	2,464,307
2025-2029	1,684,798	157,461	1,842,259
2030-2034	1,315,428	85,193	1,400,621
	<u>\$ 7,643,574</u>	<u>\$ 1,072,532</u>	<u>\$ 8,716,106</u>

The following is a summary of outstanding note principal and interest requirements for the following fiscal years ending December 31:

	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2015	\$ 124,481	\$ 7,599	\$ 132,080
2016	125,225	4,814	130,039
2017	90,874	2,005	92,879
	<u>\$ 340,580</u>	<u>\$ 14,418</u>	<u>\$ 354,998</u>

NOTE 6 - LANDFILL CLOSURE

The City records a liability for the estimated costs of landfill closure and postclosure care, as required by U.S. generally accepted accounting principles. Two sides of the original landfill (Phase 1) received a final cover system during the landfill expansion project, which occurred from 2007-2010. A final cover system was installed in accordance with Maine Department of Environmental Protection (MDEP) regulations on the top and west side of Phase 1 in 2014. Phase 1 will not be accepting any more waste. The Construction/Demolition Debris (CDD) landfill was permanently closed in 2012 in accordance with MDEP regulations.

The new expansion, known as Phase 2, began accepting waste in December of 2010. In the future, the City will also construct new expansions to the landfill known as Phase 3 and Phase 4.

CITY OF PRESQUE ISLE, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 6 - LANDFILL CLOSURE (CONTINUED)

The estimated closure cost for Phase 2 is \$1,779,840 and the estimated post-closure care cost is \$2,760,000 (\$92,000 per year) for a total estimated liability of \$4,539,840. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. A portion of the Phase 1 and CDD closure costs is being reimbursed by the State of Maine and is being credited to the closure reserve.

The Phase 2 landfill has an estimated remaining life of 16.5 years. An estimated 20.2% of the landfill capacity has been used as of December 31, 2014. The City has recognized a liability in the government-wide financial statements based on percentage used as of December 31, 2014, of \$350,527 for closure, and \$557,520 for post-closure costs for a total liability of \$917,047 for the Phase 2 landfill.

The City voluntarily funds a reserve account for landfill closure and post-closure care, which had a balance of \$(20,987) on December 31, 2014. The City also maintains a reserve account for solid waste activities, which had a balance of \$749,172 at the end of 2014. The total net amount available in the reserve accounts is \$728,185.

NOTE 7 - NONSPENDABLE FUND BALANCES

At December 31, 2014, the City had the following nonspendable fund balance:

General fund:	
Prepaid expenses	\$ 170,500
Airport fund:	
Inventory	81,911
Development fund	950,283
Bike and walk path fund fund:	
Amount of principal that cannot be spent	20,000
	<u>\$ 1,222,694</u>

NOTE 8 - RESTRICTED FUND BALANCES

At December 31, 2014, the City had the following restricted fund balances:

Development fund	\$ 1,118,383
Nonmajor special revenue funds (Schedule D)	1,098,204
Nonmajor capital project funds (Schedule F)	436,936
Nonmajor permanent funds (Schedule H)	731,313
	<u>\$ 3,384,836</u>

CITY OF PRESQUE ISLE, MAINE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 9 - COMMITTED FUND BALANCES

At December 31, 2014, the City had the following committed fund balances:

Landfill operations	\$ 229,688
Emergency reserve	1,868,774
Nonmajor special revenue funds (Schedule D)	193,031
Nonmajor capital project funds (Schedule F)	1,976,681
	<u>\$ 4,268,174</u>

NOTE 10 - ASSIGNED FUND BALANCES

At December 31, 2014, the City had the following assigned fund balances:

General fund:	
Drug forfeiture	\$ 2,518
Vehicle repairs	30,000
CC fundraising	74,714
	<u>\$ 107,232</u>

NOTE 11 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City either carries commercial insurance, participates in a public entity risk pool, or is effectively self-insured. Currently the City participates in several public-entity and self-insured risk pools sponsored by the Maine Municipal Association.

Based on the coverage provided by the pools described above, as well as coverage provided by commercial insurance purchased, the City is not aware of any material actual or potential claim liabilities which should be recorded at December 31, 2014. There were no significant reductions in insurance coverage from that of the prior year and amounts of settlements have not exceeded insurance coverage in the past three years.

CITY OF PRESQUE ISLE, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 12 - OVERLAPPING DEBT

The City is contingently liable for its proportionate share of any defaulted debt by entities of which it is a member. At December 31, 2014, the County of Aroostook had no outstanding debt. The City's share of school debt was approximately:

	<u>Outstanding Debt</u>	<u>City's Percentage</u>	<u>Total Share</u>
SAD No. 1	5,733,879	73.62%	<u>\$ 4,221,282</u>

NOTE 13 - DEFINED BENEFIT PENSION PLAN

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

A. Plan Description

City employees contribute to the Maine Public Employees Retirement System, an agent multiple-employer defined benefit pension plan established by the Maine State Legislature. The Maine Public Employees Retirement System provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Title 5 of the Maine Revised Statutes Annotated assigns the authority to establish and amend benefit provisions to the PLD's Consolidated Plan Board of Trustees. The Maine Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the Consolidated Plan. That report may be obtained by writing to Maine Public Employees Retirement System, 46 State House Station, Augusta, Maine 04333 or by calling (800) 451-9800.

The City's Status as a withdrawn participating local district requires that the City continue to fund the plan on an actuarially sound basis for liabilities of any currently active, inactive vested, or retired participants. This plan is not available to any non-participating current employees or new hires. The City's participating employees are eligible for normal retirement upon attaining age 60 and early retirement after completing 25 or more years of service. Participants are fully vested after 10 years of service.

B. Funding Policy

Plan members are required to contribute 6.5% (8.0% for fire and police department employees) of their annual covered salary and the City of Presque Isle is required to contribute an actuarially determined rate. The current rate is 9.86% of covered payroll. The contribution rates of plan member and the city of Presque Isle are established and

CITY OF PRESQUE ISLE, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 13 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

may be amended by the Maine Public Employee Retirement Systems Board of Trustees. The City's contribution to MePers Consolidated Plan for the years ended December 31, 2014, 2013 and 2012 were \$644,120, \$468,680, \$319,281 respectively.

As of June 30, 2014, the City had an unfunded actuarial accrued asset of \$3,964,998. This was effective June 30, 1996 when the City withdrew from the Maine State Retirement System and opted not to join into the Consolidated Plan. This unfunded actuarial accrued asset has an amortization period of 13 years.

NOTE 14 - DEFINED CONTRIBUTION PLAN

A. Plan Description

The City offers its employees a defined contribution plan created in accordance with Internal Revenue Code Section 401. Employees who were enrolled in the MePERS plan as of July 1, 1996, have the option of changing to the 401 plan. All eligible employees hired subsequent to July 1, 1996 may only enroll in the 401 plan. The plan was established as a money purchase pension plan and trust to be known as the City of Presque Isle Money Purchase Pension Plan and Trust. The plan is administered by ICMA Retirement Corporation.

B. Funding Policy

Under the 401 plan, the City is required to contribute 6% of a participant's earnings for the plan year. Participating police and fire personnel received contributions of 8% of their earnings for the plan year. The City Manager and Deputy City Manager received contributions of 8% of their earnings for the plan year. For the years ended December 31, 2014, 2013, and 2012, the City contributed \$226,784, \$215,586, and \$202,486, respectively. Plan provisions and contribution requirements are established and may be amended by the City Council.

NOTE 15 - DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all employees, permits the employee to defer a portion of salary until future years. There is an employer match by the City of 1%. The deferred compensation is not available to employees until termination, retirement, death or unforeseen emergency.

CITY OF PRESQUE ISLE, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 15 - DEFERRED COMPENSATION PLAN (CONTINUED)

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) to be held in a trust for the exclusive benefit of the participants and their beneficiaries.

It is the opinion of the City's management that the City has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor.

NOTE 16 - CONTINGENCIES

With regard to pending legal claims or any unasserted claims, it is not feasible at this time to predict or determine their outcome. Management believes, however, that settlement amounts, if any, will not have a material adverse effect on the City's financial position.

The City participates in various intergovernmental grant programs which may be subject to future program compliance audits by the grantors or their representatives. Accordingly, the City's compliance with applicable grant requirement may be established at some future date. The amount, if any, of any liabilities arising from the disallowance of expenditures or ineligibility of grant revenues cannot be determined at this time.

NOTE 17 - TAX INCREMENT FINANCING DISTRICTS

The City has established two tax increment financing districts under terms of applicable state laws. Details of the TIF district are as follows:

	<u>Original Value</u>	<u>Increase in Value</u>	<u>TIF Cap</u>	<u>Captured Value</u>	<u>Captured Tax</u>
MMG Insurance TIF	\$ 1,717,300	\$ 2,389,400	40%	\$ 955,760	\$ 23,607
BLD Properties TIF	128,100	4,451,300	100%	2,757,600	109,974

CITY OF PRESQUE ISLE, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 18 - OTHER POSTEMPLOYMENT BENEFITS

The Governmental Accounting Standards Board (GASB) Statement No. 45 addresses the reporting and disclosure requirements for other post employment benefits (OPEB). GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, was implemented, as required, by the City of Presque Isle for the year ended December 31, 2008. Under this pronouncement, it requires that the long-term cost of retirement health care and obligations for other postemployment benefits be determined on an actuarial basis and reported similar to pension plans.

The City is a member of the Maine Municipal Employees Health Trust (the "Health Trust"). In addition to providing pension benefits, the City provides health care benefits for certain retired employees. Eligibility to receive health care benefits follows the same requirements as Maine PERS. Eligible retirees are required to pay 100% of the health insurance premiums to receive health benefit coverage. The City does not supplement the cost of this coverage directly, but recognizes the liability for inclusion of implicit rate subsidies to the retirees. The subsidy occurs because when a blended rate is used for a group of individuals that includes younger and presumably healthier people along with older, retired people, implicitly, the active employees are subsidizing the retirees.

Active members	83
Retirees and spouses	<u>25</u>
Total	<u><u>108</u></u>

Benefits provided – The City provides medical and prescription drug coverage to retirees and their eligible spouses and dependents. Pre-Medicare retirees are offered the same plans that are available to the active employees. The plans are provided through the Health Trust, and include the Comprehensive Point of Service Plan C and the POS 200 Plan.

Funding policy – Retirees contribute all of the premiums as determined by the City, but the remainder of the costs as derived from the implicit subsidy are paid by the City on a pay-as-you-go basis.

Annual OPEB Cost and Net OPEB Obligations

The City of Presque Isle's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement #45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize the unfunded actuarial liability over a period not to exceed thirty years.

CITY OF PRESQUE ISLE, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 18 – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

The City's annual OPEB cost for the fiscal year ended December 31, 2014 including the amount actually contributed to the plan and the change in the City's net OPEB obligation using the level of funding amortization method is as follows:

	2014	2013	2012	2011
Normal cost	\$ 48,898	\$ 43,926	\$ 43,926	\$ 43,926
Amortization of unfunded liability	96,216	111,368	111,368	111,368
Interest	5,805	6,212	6,212	6,212
Annual required contribution	150,919	161,506	161,506	161,506
Interest on net OPEB obligation	37,595	31,700	25,698	19,587
Adjustment to annual required contribution	(54,353)	(45,830)	(37,153)	(28,318)
Annual OPEB cost	134,161	147,376	150,051	152,775
Contributions made	(87,699)	-	-	-
Increase in net OPEB obligation	46,462	147,376	150,051	152,775
Net OPEB obligation, beginning of year	939,876	792,500	642,449	489,674
Net OPEB obligation, end of year	\$ 986,338	\$ 939,876	\$ 792,500	\$ 642,449

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the fiscal years ended December 31, 2014, December 31, 2013, December 31, 2012 and December 31, 2011 are as follows:

Fiscal Year Ending	Annual OPEB Cost (AOC)	Actual Contribution	Percentage of AOC Contributed	Net OPEB Obligation
12/31/2011	\$ 152,775	\$ -	0.0%	\$ 642,449
12/31/2012	150,051	-	0.0%	792,500
12/31/2013	147,376	-	0.0%	939,876
12/31/2014	134,161	-	0.0%	986,338

CITY OF PRESQUE ISLE, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 18 – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

The funded status of the plan as of December 31, 2014, was as follows:

Actuarial Accrued Liability	\$ 1,730,326
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability	<u>\$ 1,730,326</u>
Funded Ratio (Actuarial Value of Plan Assets/AAL)	0.0%
Covered Payroll of Active Plan Members	\$ 3,838,726
UAAL as a percentage of Covered Payroll	45.08%

Methods of Assumptions – The projected unit credit (PUC) cost method was used for the valuation. The amortization method is the level dollar open, amortized over 30 years. Under the PUC method, benefits are projected for life, and their present value is determined. The present value is divided into equal parts, which are earned from date of hire to each decrement age. An open 30 year amortization period was used. The amortization method is a level dollar amortization method. The unfunded actuarial liability is the difference between the actuarial liability and the actuarial value of assets.

The information presented in the required supplementary schedules was determined as part of the actuarial valuation at the date indicated. Additional information of the latest actuarial valuation is as follows:

Valuation Date	1/1/2014
Actuarial Cost Method	Projected Unit credit
Amortization Method	Level Dollar
Amortization Period	30 years
Asset Valuation Method	N/A
Actuarial Assumptions:	
Discount Rate	4.00%
Rate of Salary Increases	3.00%
Healthcare Inflation Rate	4.60%

CITY OF PRESQUE ISLE, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 19 - DEFICIT FUND BALANCES/NET POSITION

At December 31, 2014, the City has the following funds with deficit fund balances:

Major funds:	
Airport	<u>\$ 120,932</u>
Landfill closure	<u>20,987</u>
Non-major funds:	
Police grant	529
Book memorials	408
Septic systems	457
Airport project 42	38,915
Airport project 43	<u>17,893</u>
Subtotal non-major funds	<u>58,202</u>
Total	<u><u>\$ 200,121</u></u>

NOTE 20 - RESTATEMENT

The beginning fund balances of the general fund, emergency reserve fund and nonmajor fund – retirement payouts have been restated as of January 1, 2014. The emergency reserve and retirement payouts reserve were committed balances within the general fund but have been reclassified as special revenue funds. The general fund decreased by \$1,892,560 while the emergency reserve fund increased by \$1,867,837 and the retirement payouts reserve increased by \$24,723.

Required Supplementary Information

Required supplementary information includes financial information and disclosures that are required by the Government Accounting Standards Board but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund
- Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund Revenues
- Schedule of Funding Progress

CITY OF PRESQUE ISLE, MAINE

BUDGETARY COMPARISON SCHEDULE – BUDGETARY BASIS
 BUDGET AND ACTUAL – GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Positive (Negative)
Budgetary Fund Balance, January 1 - Restated	\$ 2,001,652	\$ 2,001,652	\$ 2,001,652	\$ -
Resources (Inflows):				
General tax revenue - municipal and education	14,595,328	14,595,328	14,567,932	(27,396)
Intergovernmental revenue	1,322,464	1,322,464	1,358,453	35,989
Charges for services	1,248,961	1,214,061	1,293,813	79,752
Investment income	13,000	13,000	16,333	3,333
Other revenue	75,075	75,075	80,345	5,270
Transfers from other funds	82,595	82,595	158,595	76,000
Amounts Available for Appropriation	<u>19,339,075</u>	<u>19,304,175</u>	<u>19,477,123</u>	<u>172,948</u>
Charges to Appropriations (Outflows):				
General government	3,256,356	3,257,338	3,262,909	(5,571)
Public safety	2,158,050	2,222,068	2,211,665	10,403
Solid waste	3,000	3,000	847	2,153
Public works	1,973,047	1,973,047	2,034,957	(61,910)
Facilities	112,700	77,900	96,224	(18,324)
Recreation and culture	1,126,408	1,101,308	1,057,313	43,995
Debt service	290,565	290,565	279,889	10,676
Education	6,150,296	6,150,296	6,150,296	-
County Tax	603,602	603,602	603,602	-
TIF	131,373	131,373	131,373	-
Outside services	41,600	41,600	41,600	-
Unclassified	245,777	299,006	372,074	(73,068)
Transfers to other funds	1,251,094	1,733,705	1,735,842	(2,137)
Total Charges to Appropriations	<u>17,343,868</u>	<u>17,884,808</u>	<u>17,978,591</u>	<u>(93,783)</u>
Budgetary Fund Balance, December 31	<u>\$ 1,995,207</u>	<u>\$ 1,419,367</u>	<u>\$ 1,498,532</u>	<u>\$ 79,165</u>
Utilization of unassigned fund balance	<u>\$ 46,445</u>	<u>\$ 582,285</u>	<u>\$ -</u>	<u>\$ (582,285)</u>

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

CITY OF PRESQUE ISLE, MAINE

**BUDGETARY COMPARISON SCHEDULE – BUDGETARY BASIS
BUDGET AND ACTUAL – GENERAL FUND REVENUES
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
General tax revenues:				
Property taxes	\$ 12,983,954	\$ 12,983,954	\$ 12,942,351	\$ (41,603)
Excise tax	1,515,374	1,515,374	1,526,280	10,906
Interest and penalties	96,000	96,000	99,301	3,301
Intergovernmental revenues:				
General assistance	33,425	33,425	75,072	41,647
Police dept. grants	67,100	67,100	62,961	(4,139)
Police dept. TSA	50,768	50,768	56,966	6,198
State parks reimbursement	2,200	2,200	2,497	297
Chapman fire reimbursment	25,200	25,200	24,775	(425)
Veterans reimbursement	9,000	9,000	9,052	52
Tree Growth	2,000	2,000	2,580	580
State revenue sharing	751,450	751,450	724,482	(26,968)
Homestead reimbursement	258,276	258,276	258,276	-
BETE reimbursement	103,895	103,895	103,895	-
Drug forfeiture	-	-	1,345	1,345
MDEA - employee benefits	19,150	19,150	36,552	17,402
Charges for services:				
Administrative services	29,300	29,300	28,326	(974)
Code enforcement	40,000	40,000	78,252	38,252
ARFF	50,600	50,600	46,782	(3,818)
EMS Co-op with TAMC	-	30,000	42,080	12,080
Police dept.	2,300	2,300	1,009	(1,291)
Recreation & parks:				
Program income	40,000	40,000	44,271	4,271
Indoor pool income	98,200	33,300	37,809	4,509
Forum income	259,100	259,100	253,966	(5,134)
PIIC rentals	537,180	537,180	572,053	34,873
Echo Lake sewer	4,900	4,900	4,907	7
City clerk	37,750	37,750	35,705	(2,045)
Cable franchise fee	64,000	64,000	59,836	(4,164)
Water/sewer district rental	10,131	10,131	10,130	(1)
Bon Aire housing parcel	44,500	44,500	46,522	2,022
PI Housing authority	16,000	16,000	16,000	-
P.I.L.O.T. income	15,000	15,000	16,165	1,165
Investment income	13,000	13,000	16,333	3,333
Other income				
Finance miscellaneous	3,500	3,500	6,150	2,650
Fire dept. miscellaneous	5,800	5,800	9,608	3,808
General government miscellaneous	3,225	3,225	675	(2,550)
Library miscellaneous	9,725	9,725	10,001	276
Police dept. miscellaneous	35,125	35,125	29,483	(5,642)
Public works miscellaneous	5,000	5,000	7,659	2,659
Employee benefits miscellaneous	7,200	7,200	4,973	(2,227)
Insurance	1,000	1,000	1,222	222
City clerk	2,500	2,500	262	(2,238)
Sales of tax acquired property	-	-	8,458	8,458
Other	2,000	2,000	1,854	(146)
Transfers from other funds				
General government	36,775	36,775	36,775	-
Development fund	28,000	28,000	28,000	-
Industrial rentals	17,820	17,820	17,820	-
Emergency reserve	-	-	76,000	76,000
Use of committed fund balance	-	71,330	-	(71,330)
Use of unassigned fund balance	46,445	510,955	-	(46,445)
Total revenues	\$ 17,383,868	\$ 17,884,808	\$ 17,475,471	\$ 55,173

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

CITY OF PRESQUE ISLE, MAINE

SCHEDULE OF FUNDING PROGRESS
FOR THE YEAR ENDED DECEMBER 31, 2014

The required schedule of funding progress, presented as required supplementary information, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Valuation Date	Actuarial Value of Assets (a)	Unfunded Actuarial (UAL) Liability (AAL) (b)	Funded Ratio (a/b)	Covered Payroll (c)	UFAL as a % of Covered Payroll ((b-a)/c)
1/1/2009	\$ -	\$ 1,674,527	0.0%	\$ 4,097,354	40.87%
1/1/2009	\$ -	\$ 1,674,527	0.0%	\$ 4,430,530	37.80%
1/1/2009	\$ -	\$ 1,674,527	0.0%	\$ 4,214,898	39.73%
10/1/2011	\$ -	\$ 2,002,819	0.0%	\$ 3,757,277	53.31%
10/1/2011	\$ -	\$ 2,002,819	0.0%	\$ 3,618,367	55.35%
10/1/2011	\$ -	\$ 2,002,819	0.0%	\$ 3,581,346	55.92%
1/1/2014	\$ -	\$ 1,730,326	0.0%	\$ 3,838,726	45.08%

Other Supplementary Information

Other supplementary information includes financial statements and schedules not required by the Government Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

- Schedule of Departmental Operations
- Combining Balance Sheet - Nonmajor Governmental Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds
- Combining Balance Sheet - Nonmajor Special Revenue Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds
- Combining Balance Sheet – Nonmajor Capital Project Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Project Funds
- Combining Balance Sheet – Nonmajor Permanent Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Permanent Funds
- Schedule of Revenues, Expenditures and Changes in Fund Balances – Airport Fund
- Schedule of General Capital Assets by Function
- Schedule of Changes in General Capital Assets by Function

CITY OF PRESQUE ISLE, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
General government					
General government	\$ 232,426	\$ -	\$ 232,426	\$ 264,661	\$ (32,235)
Employee benefits	1,827,482	982	1,828,464	1,856,223	(27,759)
Finance	410,235	(70,130)	340,105	314,929	25,176
City clerk	57,272	-	57,272	52,072	5,200
Resource management	157,804	-	157,804	146,629	11,175
PIIC appropriation	342,709	-	342,709	342,709	-
Insurances	115,562	-	115,562	115,382	180
Assessing	-	70,130	70,130	62,041	8,089
Planning & development	63,679	-	63,679	59,716	3,963
Information technology	49,187	-	49,187	48,547	640
	<u>3,256,356</u>	<u>982</u>	<u>3,257,338</u>	<u>3,262,909</u>	<u>(5,571)</u>
Public safety					
Fire department	822,550	70,000	892,550	888,236	4,314
Public safety building	116,554	-	116,554	112,111	4,443
Police department	1,218,946	(5,982)	1,212,964	1,211,318	1,646
	<u>2,158,050</u>	<u>64,018</u>	<u>2,222,068</u>	<u>2,211,665</u>	<u>10,403</u>
Solid waste					
Echo Lake	3,000	-	3,000	847	2,153
	<u>3,000</u>	<u>-</u>	<u>3,000</u>	<u>847</u>	<u>2,153</u>
Public works					
Highway department	1,412,054	-	1,412,054	1,475,202	(63,148)
Street lights	167,325	-	167,325	166,087	1,238
Hydrant rental	393,668	-	393,668	393,668	-
	<u>1,973,047</u>	<u>-</u>	<u>1,973,047</u>	<u>2,034,957</u>	<u>(61,910)</u>

CITY OF PRESQUE ISLE, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
Facilities					
BLDG Repairs-GEN GOV'T	5,500	-	5,500	3,425	2,075
BLDG Repairs-Library	5,000	-	5,000	3,413	1,587
BLDG Repairs-Public Works	7,200	-	7,200	8,642	(1,442)
BLDG Repairs-PS Building	20,000	-	20,000	41,493	(21,493)
BLDG Repairs-REC & PARKS	75,000	(34,800)	40,200	39,251	949
	112,700	(34,800)	77,900	96,224	(18,324)
Recreation and culture					
Parks & recreation	814,268	(25,100)	789,168	741,006	48,162
Library	312,140	-	312,140	316,307	(4,167)
	1,126,408	(25,100)	1,101,308	1,057,313	43,995
Debt service					
Interest on TAN	12,500	-	12,500	8,487	4,013
Public safety building	182,728	-	182,728	176,522	6,206
Public works garage	95,337	-	95,337	94,880	457
	290,565	-	290,565	279,889	10,676
Outside services					
Chamber of Commerce	22,500	-	22,500	22,500	-
Aroostook Area Agency - Aging	4,050	-	4,050	4,050	-
Central Aroostook Soil & Water	1,050	-	1,050	1,050	-
Quoggy Joe ski club	6,875	-	6,875	6,875	-
Presque Isle Snowmobile club	4,300	-	4,300	4,300	-
Veterans cemetery	200	-	200	200	-
American Red Cross	2,325	-	2,325	2,325	-
Lead	300	-	300	300	-
	41,600	-	41,600	41,600	-

CITY OF PRESQUE ISLE, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
Unclassified					
Service center coalition	1,150	-	1,150	1,163	(13)
State Street damn utilities	160	-	160	165	(5)
Maine Municipal dues	11,000	-	11,000	10,631	369
Property taxes Mapleton	554	-	554	569	(15)
Cemeteries	2,900	-	2,900	2,239	661
Annual reports	1,500	-	1,500	1,472	28
Legal services	16,000	-	16,000	23,171	(7,171)
Contingent	46,268	-	46,268	57,545	(11,277)
Northern ME Development Commission	18,400	-	18,400	18,272	128
Fair Association lease	3,000	-	3,000	3,000	-
C A Humane Society	17,250	-	17,250	16,170	1,080
Sister O'Donnell shelter	9,525	-	9,525	9,525	-
Cunningham taxes - repay PIDF	1,687	-	1,687	1,687	-
Downtown revitalization committee	15,700	3,500	19,200	17,420	1,780
Unclassified misc items	-	-	-	6,755	(6,755)
Tax acquired property costs	-	-	-	44	(44)
School fuel farm improvements	7,138	-	7,138	7,787	(649)
Arts - URIP funds	3,722	-	3,722	1,861	1,861
General assistance	66,600	-	66,600	142,869	(76,269)
Drug forfeiture	-	1,987	1,987	1,987	-
CC fundraising	-	47,742	47,742	47,742	-
Overlay	23,223	-	23,223	-	23,223
	<u>245,777</u>	<u>53,229</u>	<u>299,006</u>	<u>372,074</u>	<u>(73,068)</u>

CITY OF PRESQUE ISLE, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
Education	6,150,296	-	6,150,296	6,150,296	-
County Tax	603,602	-	603,602	603,602	-
TIF	131,373	-	131,373	131,373	-
Transfers					
Airport	72,531	-	72,531	72,531	-
Finance	5,000	-	5,000	5,000	-
Police department	29,000	-	29,000	29,000	-
Fire department	30,000	-	30,000	30,000	-
Recreation department	45,350	-	45,350	45,350	-
City Hall	66,520	-	66,520	66,520	-
Public works	201,256	-	201,256	201,256	-
PIIC Council	120,000	-	120,000	120,000	-
Emergency reserve	91,550	-	91,550	91,550	-
Street overlay	190,000	-	190,000	190,000	-
City appropriation	315,312	-	315,312	315,312	-
Special building	6,389	-	6,389	6,389	-
Renovation ACME Monaco #131	4,273	-	4,273	4,273	-
Child services building 1201B	4,313	-	4,313	4,312	1
Renovation building #615	57,100	-	57,100	57,056	44
Community center	-	353,910	353,910	353,910	-
Pool and splash pad	-	110,600	110,600	110,600	-
Chapman Street reroute	-	18,101	18,101	18,101	-
Retirement payouts	12,500	-	12,500	12,500	-
Echo Lake	-	-	-	2,182	(2,182)
	1,251,094	482,611	1,733,705	1,735,842	(2,137)
Total Expenditures	\$ 17,343,868	\$ 540,940	\$ 17,884,808	\$ 17,978,591	\$ (93,783)

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

CITY OF PRESQUE ISLE, MAINE

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2014

	Special Revenue Funds	Capital Project Funds	Permanent Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ 51,811	\$ 51,811
Investments	-	-	699,502	699,502
Due from other funds	1,291,235	2,413,617	-	3,704,852
TOTAL ASSETS	<u>\$ 1,291,235</u>	<u>\$ 2,413,617</u>	<u>\$ 751,313</u>	<u>\$ 4,456,165</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	937	201,723	-	202,660
TOTAL LIABILITIES	<u>937</u>	<u>201,723</u>	<u>-</u>	<u>202,660</u>
FUND BALANCES				
Nonspendable	-	-	20,000	20,000
Restricted	1,098,204	436,936	731,313	2,266,453
Committed	193,031	1,976,681	-	2,169,712
Assigned	-	-	-	-
Unassigned	(937)	(201,723)	-	(202,660)
TOTAL FUND BALANCES	<u>1,290,298</u>	<u>2,211,894</u>	<u>751,313</u>	<u>4,253,505</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,291,235</u>	<u>\$ 2,413,617</u>	<u>\$ 751,313</u>	<u>\$ 4,456,165</u>

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

CITY OF PRESQUE ISLE, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES – NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Special Revenue Funds	Capital Project Funds	Permanent Funds	Total Nonmajor Governmental Funds
REVENUES				
Intergovernmental revenue	\$ 125,332	\$ 754,752	\$ -	\$ 880,084
Interest income	787	787	122,050	123,624
Other income	91,654	213,771	1,045	306,470
Investment income, net of unrealized gains/(losses)	-	-	(77,453)	(77,453)
TOTAL REVENUES	<u>217,773</u>	<u>969,310</u>	<u>45,642</u>	<u>1,232,725</u>
EXPENDITURES				
Program expenses	103,634	11,603	21,251	136,488
Public safety	-	-	5,308	5,308
Capital outlay	-	1,682,733	-	1,682,733
TOTAL EXPENDITURES	<u>103,634</u>	<u>1,694,336</u>	<u>26,559</u>	<u>1,824,529</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>114,139</u>	<u>(725,026)</u>	<u>19,083</u>	<u>(591,804)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	128,065	1,592,940	-	1,721,005
Transfers (out)	<u>(160,972)</u>	<u>(53,112)</u>	<u>-</u>	<u>(214,084)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(32,907)</u>	<u>1,539,828</u>	<u>-</u>	<u>1,506,921</u>
NET CHANGE IN FUND BALANCES	81,232	814,802	19,083	915,117
FUND BALANCES, JANUARY 1	<u>1,209,066</u>	<u>1,397,092</u>	<u>732,230</u>	<u>3,338,388</u>
FUND BALANCES, DECEMBER 31	<u>\$ 1,290,298</u>	<u>\$ 2,211,894</u>	<u>\$ 751,313</u>	<u>\$ 4,253,505</u>

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

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Special Revenue Funds

Special revenue funds are established to account for the proceeds of specific revenue sources (other than expendable trusts or for major capital projects) that are legally restricted to expenditures for specific purposes.

CITY OF PRESQUE ISLE, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2014

	Restricted Reserve Funds						
	RLF Building Fund	CDBG Program	REDLP Loan Funds	Industrial Council Land Sales	Intermodal Rail Yard	Police Grant	Library Grants
ASSETS	\$ -	\$ -	\$ -				
Cash and cash equivalents	-	-	-	\$ -	\$ -	\$ -	\$ -
Due from other funds	327,010	7,919	106,979	113,591	18,092	-	9,917
TOTAL ASSETS	<u>\$ 327,010</u>	<u>\$ 7,919</u>	<u>\$ 106,979</u>	<u>\$ 113,591</u>	<u>\$ 18,092</u>	<u>\$ -</u>	<u>\$ 9,917</u>
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	529	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>529</u>	<u>-</u>
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	-
Restricted	327,010	7,919	106,979	-	-	-	9,917
Committed	-	-	-	113,591	18,092	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	(529)	-
TOTAL FUND BALANCES	<u>327,010</u>	<u>7,919</u>	<u>106,979</u>	<u>113,591</u>	<u>18,092</u>	<u>(529)</u>	<u>9,917</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 327,010</u>	<u>\$ 7,919</u>	<u>\$ 106,979</u>	<u>\$ 113,591</u>	<u>\$ 18,092</u>	<u>\$ -</u>	<u>\$ 9,917</u>

CITY OF PRESQUE ISLE, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2014

	Restricted Reserve Funds					
	Fire Department Grants	Airport PFC	Planning & Development Grants	Grant Matching Funds	Economic Development Fund	BLD Hospitality TIF Funds
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	7,886	78,292	13,122	245,279	144,826	151,202
TOTAL ASSETS	<u>\$ 7,886</u>	<u>\$ 78,292</u>	<u>\$ 13,122</u>	<u>\$ 245,279</u>	<u>\$ 144,826</u>	<u>\$ 151,202</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	7,886	78,292	13,122	245,279	144,826	151,202
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>7,886</u>	<u>78,292</u>	<u>13,122</u>	<u>245,279</u>	<u>144,826</u>	<u>151,202</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 7,886</u>	<u>\$ 78,292</u>	<u>\$ 13,122</u>	<u>\$ 245,279</u>	<u>\$ 144,826</u>	<u>\$ 151,202</u>

CITY OF PRESQUE ISLE, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2014

	Other Special Revenues					
	Recreation Programs	Cost Recovery	Softball	Downing Park	Bloodhound	Outside Grants
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	26,221	1,353	2,775	789	3,192	2
TOTAL ASSETS	<u>\$ 26,221</u>	<u>\$ 1,353</u>	<u>\$ 2,775</u>	<u>\$ 789</u>	<u>\$ 3,192</u>	<u>\$ 2</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	2
Committed	26,221	1,353	2,775	789	3,192	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>26,221</u>	<u>1,353</u>	<u>2,775</u>	<u>789</u>	<u>3,192</u>	<u>2</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 26,221</u>	<u>\$ 1,353</u>	<u>\$ 2,775</u>	<u>\$ 789</u>	<u>\$ 3,192</u>	<u>\$ 2</u>

CITY OF PRESQUE ISLE, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2014

	Other Special Revenues					
	Wellness Grant	Retirement Pay	Book Memorials	Revitalization	Recreation Facility	Donated Fuel
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	5,770	12,670	-	1,564	2,262	5,000
TOTAL ASSETS	<u>\$ 5,770</u>	<u>\$ 12,670</u>	<u>\$ -</u>	<u>\$ 1,564</u>	<u>\$ 2,262</u>	<u>\$ 5,000</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	408	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>408</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	5,770	-	-	-	-	-
Committed	-	12,670	-	1,564	2,262	5,000
Assigned	-	-	-	-	-	-
Unassigned	-	-	(408)	-	-	-
TOTAL FUND BALANCES	<u>5,770</u>	<u>12,670</u>	<u>(408)</u>	<u>1,564</u>	<u>2,262</u>	<u>5,000</u>
TOTAL LIABILITIES AND FUND						
BALANCES	<u>\$ 5,770</u>	<u>\$ 12,670</u>	<u>\$ -</u>	<u>\$ 1,564</u>	<u>\$ 2,262</u>	<u>\$ 5,000</u>

CITY OF PRESQUE ISLE, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2014

	Other Special Revenues			Totals
	Appraisals	Music in the Park	Downtown Market	
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Due from other funds	3,950	637	935	1,291,235
TOTAL ASSETS	<u>\$ 3,950</u>	<u>\$ 637</u>	<u>\$ 935</u>	<u>\$ 1,291,235</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	937
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>937</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	-	-	1,098,204
Committed	3,950	637	935	193,031
Assigned	-	-	-	-
Unassigned	-	-	-	(937)
TOTAL FUND BALANCES	<u>3,950</u>	<u>637</u>	<u>935</u>	<u>1,290,298</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 3,950</u>	<u>\$ 637</u>	<u>\$ 935</u>	<u>\$ 1,291,235</u>

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

CITY OF PRESQUE ISLE, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Restricted Reserve Funds					
	RLF Building Fund	CDBG Program	REDLP Loan Funds	Industrial Council Land Sales	Intermodal Rail Yard	Police Grant Library Grants
REVENUES						
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 67,035
Interest income	612	-	-	175	-	-
Other income	-	-	-	1,996	-	16,700
TOTAL REVENUES	612	-	-	2,171	-	67,035
EXPENDITURES						
Program expenses	-	-	612	-	-	4,075
TOTAL EXPENDITURES	-	-	612	-	-	4,075
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	612	-	(612)	2,171	-	62,960
OTHER FINANCING SOURCES (USES)						
Transfers in	61,741	-	-	-	-	-
Transfers (out)	-	-	-	-	-	(62,960)
TOTAL OTHER FINANCING SOURCES (USES)	61,741	-	-	-	-	(62,960)
NET CHANGE IN FUND BALANCES	62,353	-	(612)	2,171	-	-
FUND BALANCES, JANUARY 1	264,657	7,919	107,591	111,420	18,092	(529)
FUND BALANCES, DECEMBER 31	\$ 327,010	\$ 7,919	\$ 106,979	\$ 113,591	\$ 18,092	\$ (529)

CITY OF PRESQUE ISLE, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Restricted Reserve Funds					
	Fire Department Grants	Airport PFC	Planning & Development Grants	Grant Matching Funds	Economic Development Fund	BLD Hospitality TIF Funds
REVENUES						
Intergovernmental revenue	\$ 10,366	\$ -	\$ 22,500	\$ -	\$ -	\$ -
Interest income	-	-	-	-	-	-
Other income	-	45,576	-	2,400	-	-
TOTAL REVENUES	<u>10,366</u>	<u>45,576</u>	<u>22,500</u>	<u>2,400</u>	<u>-</u>	<u>-</u>
EXPENDITURES						
Program expenses	<u>9,248</u>	<u>2,565</u>	<u>16,725</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>9,248</u>	<u>2,565</u>	<u>16,725</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,118</u>	<u>43,011</u>	<u>5,775</u>	<u>2,400</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	45,261
Transfers (out)	-	(75,000)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>(75,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,261</u>
NET CHANGE IN FUND BALANCES	1,118	(31,989)	5,775	2,400	-	45,261
FUND BALANCES, JANUARY	<u>6,768</u>	<u>110,281</u>	<u>7,347</u>	<u>242,879</u>	<u>144,826</u>	<u>105,941</u>
FUND BALANCES, DECEMBER 31	<u>\$ 7,886</u>	<u>\$ 78,292</u>	<u>\$ 13,122</u>	<u>\$ 245,279</u>	<u>\$ 144,826</u>	<u>\$ 151,202</u>

CITY OF PRESQUE ISLE, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Other Special Revenues					
	Recreation Programs	Cost Recovery	Softball	Downing Park	Bloodhound	Outside Grants
REVENUES						
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,300
Interest Income	-	-	-	-	-	-
Other income	4,680	1,007	4,900	249	4,634	-
TOTAL REVENUES	<u>4,680</u>	<u>1,007</u>	<u>4,900</u>	<u>249</u>	<u>4,634</u>	<u>24,300</u>
EXPENDITURES						
Program expenses	<u>5,120</u>	<u>876</u>	<u>7,005</u>	<u>790</u>	<u>1,507</u>	<u>24,300</u>
TOTAL EXPENDITURES	<u>5,120</u>	<u>876</u>	<u>7,005</u>	<u>790</u>	<u>1,507</u>	<u>24,300</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(440)</u>	<u>131</u>	<u>(2,105)</u>	<u>(541)</u>	<u>3,127</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(440)	131	(2,105)	(541)	3,127	-
FUND BALANCES, JANUARY 1	<u>26,661</u>	<u>1,222</u>	<u>4,880</u>	<u>1,330</u>	<u>65</u>	<u>2</u>
FUND BALANCES, DECEMBER 31	<u>\$ 26,221</u>	<u>\$ 1,353</u>	<u>\$ 2,775</u>	<u>\$ 789</u>	<u>\$ 3,192</u>	<u>\$ 2</u>

CITY OF PRESQUE ISLE, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Other Special Revenues					
	Wellness Grant	Retirement Pay	Book Memorials	Revitalization	Recreation Facility	Donated Fuel
REVENUES						
Intergovernmental revenue	\$ 1,131	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Income	-	-	-	-	-	-
Other income	-	-	3,102	475	-	5,000
TOTAL REVENUES	<u>1,131</u>	<u>-</u>	<u>3,102</u>	<u>475</u>	<u>-</u>	<u>5,000</u>
EXPENDITURES						
Program expenses	3,522	1,541	2,967	-	-	718
TOTAL EXPENDITURES	<u>3,522</u>	<u>1,541</u>	<u>2,967</u>	<u>-</u>	<u>-</u>	<u>718</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(2,391)</u>	<u>(1,541)</u>	<u>135</u>	<u>475</u>	<u>-</u>	<u>4,282</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	3,563	12,500	-	-	-	-
Transfers (out)	-	(23,012)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>3,563</u>	<u>(10,512)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	1,172	(12,053)	135	475	-	4,282
FUND BALANCES, JANUARY	<u>4,598</u>	<u>24,723</u>	<u>(543)</u>	<u>1,089</u>	<u>2,262</u>	<u>718</u>
FUND BALANCES, DECEMBER 31	<u>\$ 5,770</u>	<u>\$ 12,670</u>	<u>\$ (408)</u>	<u>\$ 1,564</u>	<u>\$ 2,262</u>	<u>\$ 5,000</u>

CITY OF PRESQUE ISLE, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Other Special Revenues				Totals
	Appraisals	Music in the Park	Downtown Market		
REVENUES					
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ 125,332
Interest income	-	-	-	-	787
Other income	-	-	935	-	91,654
TOTAL REVENUES	-	-	935	-	217,773
EXPENDITURES					
Program expenses	-	-	-	-	103,634
TOTAL EXPENDITURES	-	-	-	-	103,634
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	935	-	114,139
OTHER FINANCING SOURCES (USES)					
Transfers in	5,000	-	-	-	128,065
Transfers (out)	-	-	-	-	(160,972)
TOTAL OTHER FINANCING SOURCES (USES)	5,000	-	-	-	(32,907)
NET CHANGE IN FUND BALANCES	5,000	-	935	-	81,232
FUND BALANCES, JANUARY 1	(1,050)	637	-	-	1,209,066
FUND BALANCES, DECEMBER 31	\$ 3,950	\$ 637	\$ 935	\$ -	\$ 1,290,298

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

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Capital Project Funds

Capital project funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust fund.

CITY OF PRESQUE ISLE, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECT FUNDS
DECEMBER 31, 2014

	Reserve Funds					
	Police Department	Fire Department	Recreation & Parks	Library	City Hall	Public Works Airport
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	1,604	21,565	101,260	-	78,257	49,444
TOTAL ASSETS	\$ 1,604	\$ 21,565	\$ 101,260	\$ -	\$ 78,257	\$ 206,984
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-	-
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	1,604	21,565	101,260	-	78,257	49,444
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	1,604	21,565	101,260	-	78,257	206,984
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,604	\$ 21,565	\$ 101,260	\$ -	\$ 78,257	\$ 206,984

CITY OF PRESQUE ISLE, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECT FUNDS
DECEMBER 31, 2014

	Reserve Funds				Restricted Reserve Funds	
	PIIC	Echo Lake	FAA	Downtown Infrastructure	Septic Systems	Airport Hanger
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	392,059	9,358	72,385	68,828	-	16,476
TOTAL ASSETS	<u>\$ 392,059</u>	<u>\$ 9,358</u>	<u>\$ 72,385</u>	<u>\$ 68,828</u>	<u>\$ -</u>	<u>\$ 16,476</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	457	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>457</u>	<u>-</u>
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	16,476
Committed	392,059	9,358	72,385	68,828	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	(457)	-
TOTAL FUND BALANCES	<u>392,059</u>	<u>9,358</u>	<u>72,385</u>	<u>68,828</u>	<u>(457)</u>	<u>16,476</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 392,059</u>	<u>\$ 9,358</u>	<u>\$ 72,385</u>	<u>\$ 68,828</u>	<u>\$ -</u>	<u>\$ 16,476</u>

CITY OF PRESQUE ISLE, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECT FUNDS
DECEMBER 31, 2014

	Restricted Reserve Funds					
	Pool Splash Pad	Chapman Street Reroute	Library Addition	Community Center Fundraising	Airport Project 41	Downtown Facades
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	1,393	47,500	12,595	164,963	-	100,000
TOTAL ASSETS	<u>\$ 1,393</u>	<u>\$ 47,500</u>	<u>\$ 12,595</u>	<u>\$ 164,963</u>	<u>\$ -</u>	<u>\$ 100,000</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	164,963	-	100,000
Committed	1,393	47,500	12,595	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>1,393</u>	<u>47,500</u>	<u>12,595</u>	<u>164,963</u>	<u>-</u>	<u>100,000</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,393</u>	<u>\$ 47,500</u>	<u>\$ 12,595</u>	<u>\$ 164,963</u>	<u>\$ -</u>	<u>\$ 100,000</u>

CITY OF PRESQUE ISLE, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECT FUNDS
DECEMBER 31, 2014

	Restricted Reserve Funds						
	Airport Project 42	Airport Project 43	Community Center	Solid Waste Reserve	Street Overlay	Cunningham School	Totals
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	-	-	155,497	749,172	164,277	-	2,413,617
TOTAL ASSETS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 155,497</u>	<u>\$ 749,172</u>	<u>\$ 164,277</u>	<u>\$ -</u>	<u>\$ 2,413,617</u>
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	38,915	17,893	-	-	-	144,458	201,723
TOTAL LIABILITIES	<u>38,915</u>	<u>17,893</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>144,458</u>	<u>201,723</u>
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	155,497	-	-	-	436,936
Committed	-	-	-	749,172	164,277	-	1,976,681
Assigned	-	-	-	-	-	-	-
Unassigned	(38,915)	(17,893)	-	-	-	(144,458)	(201,723)
TOTAL FUND BALANCES	<u>(38,915)</u>	<u>(17,893)</u>	<u>155,497</u>	<u>749,172</u>	<u>164,277</u>	<u>(144,458)</u>	<u>2,211,894</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 155,497</u>	<u>\$ 749,172</u>	<u>\$ 164,277</u>	<u>\$ -</u>	<u>\$ 2,413,617</u>

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

CITY OF PRESQUE ISLE, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECT FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Reserve Funds						
	Police Department	Fire Department	Recreation & Parks	Library	City Hall	Public Works	Airport
REVENUES							
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Income	-	-	-	-	-	-	-
Other income	-	31,356	6,481	-	-	-	-
TOTAL REVENUES	-	31,356	6,481	-	-	-	-
EXPENDITURES							
Program expenses	-	6,132	-	-	-	-	-
Capital outlay	29,826	47,671	27,240	7,788	61,581	16,256	117,167
TOTAL EXPENDITURES	29,826	53,803	27,240	7,788	61,581	16,256	117,167
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(29,826)	(22,447)	(20,759)	(7,788)	(61,581)	(16,256)	(117,167)
OTHER FINANCING SOURCES (USES)							
Transfers in	29,000	30,000	45,350	-	66,520	201,256	36,500
Transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	29,000	30,000	45,350	-	66,520	201,256	36,500
NET CHANGE IN FUND BALANCES	(826)	7,553	24,591	(7,788)	4,939	185,000	(80,667)
FUND BALANCES, JANUARY 1	2,430	14,012	76,669	7,788	73,318	21,984	130,111
FUND BALANCES, DECEMBER 31	\$ 1,604	\$ 21,565	\$ 101,260	\$ -	\$ 78,257	\$ 206,984	\$ 49,444

CITY OF PRESQUE ISLE, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECT FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Reserve Funds				Restricted Reserve Funds	
	PIIC	Echo Lake	FAA	Downtown Infrastructure	Septic Systems	Airport Hanger
REVENUES						
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Income	-	-	-	-	-	-
Other income	29,291	-	493	-	-	-
TOTAL REVENUES	29,291	-	493	-	-	-
EXPENDITURES						
Program expenses	-	-	-	-	-	-
Capital outlay	79,936	-	-	-	-	-
TOTAL EXPENDITURES	79,936	-	-	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(50,645)	-	493	-	-	-
OTHER FINANCING SOURCES (USES)						
Transfers in	130,662	2,182	75,000	-	-	-
Transfers (out)	(17,820)	-	(5,893)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	112,842	2,182	69,107	-	-	-
NET CHANGE IN FUND BALANCES	62,197	2,182	69,600	-	-	-
FUND BALANCES, JANUARY 1	329,862	7,176	2,785	68,828	(457)	16,476
FUND BALANCES, DECEMBER 31	\$ 392,059	\$ 9,358	\$ 72,385	\$ 68,828	\$ (457)	\$ 16,476

CITY OF PRESQUE ISLE, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECT FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Restricted Reserve Funds					
	Pool Splash Pad	Chapman Street Reroute	Library Addition	Community Center Fundraising	Airport Project 41	Downtown Facades
REVENUES						
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ 23,242	\$ -
Interest Income	-	-	-	-	-	-
Other income	-	-	-	144,463	-	-
TOTAL REVENUES	-	-	-	144,463	23,242	-
EXPENDITURES						
Program expenses	-	-	40	-	3,135	-
Capital outlay	109,207	-	-	-	-	-
TOTAL EXPENDITURES	109,207	-	40	-	3,135	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(109,207)	-	(40)	144,463	20,107	-
OTHER FINANCING SOURCES (USES)						
Transfers in	110,600	47,500	-	-	5,893	-
Transfers (out)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	110,600	47,500	-	-	5,893	-
NET CHANGE IN FUND BALANCES	1,393	47,500	(40)	144,463	26,000	-
FUND BALANCES, JANUARY 1	-	-	12,635	20,500	(26,000)	100,000
FUND BALANCES, DECEMBER 31	\$ 1,393	\$ 47,500	\$ 12,595	\$ 164,963	\$ -	\$ 100,000

SCHEDULE G (CONTINUED)

CITY OF PRESQUE ISLE, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECT FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Restricted Reserve Funds						
	Airport Project 42	Airport Project 43	Community Center	Solid Waste Reserve	Street Overlay	Cunningham School	Totals
REVENUES							
Intergovernmental revenue	\$ 207,260	\$ 339,966	\$ -	\$ -	\$ 184,284	\$ -	\$ 754,752
Interest Income	-	-	-	787	-	-	787
Other income	-	-	-	-	-	1,687	213,771
TOTAL REVENUES	<u>207,260</u>	<u>339,966</u>	<u>-</u>	<u>787</u>	<u>184,284</u>	<u>1,687</u>	<u>969,310</u>
EXPENDITURES							
Program expenses	-	-	-	2,296	-	-	11,603
Capital outlay	246,175	354,609	203,021	-	382,256	-	1,682,733
TOTAL EXPENDITURES	<u>246,175</u>	<u>354,609</u>	<u>203,021</u>	<u>2,296</u>	<u>382,256</u>	<u>-</u>	<u>1,694,336</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(38,915)</u>	<u>(14,643)</u>	<u>(203,021)</u>	<u>(1,509)</u>	<u>(197,972)</u>	<u>1,687</u>	<u>(725,026)</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	353,910	268,567	190,000	-	1,592,940
Transfers (out)	-	-	(29,399)	-	-	-	(53,112)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>324,511</u>	<u>268,567</u>	<u>190,000</u>	<u>-</u>	<u>1,539,828</u>
NET CHANGE IN FUND BALANCES	(38,915)	(14,643)	121,490	267,058	(7,972)	1,687	814,802
FUND BALANCES, JANUARY 1	<u>-</u>	<u>(3,250)</u>	<u>34,007</u>	<u>482,114</u>	<u>172,249</u>	<u>(146,145)</u>	<u>1,397,092</u>
FUND BALANCES, DECEMBER 31	<u>\$ (38,915)</u>	<u>\$ (17,893)</u>	<u>\$ 155,497</u>	<u>\$ 749,172</u>	<u>\$ 164,277</u>	<u>\$ (144,458)</u>	<u>\$ 2,211,894</u>

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

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Permanent Funds

Permanent funds are used to account for assets held by the City of Presque Isle, Maine in trust or as an agent for individuals, private organizations, other governmental units and/or other funds. These funds have been established for the provision and/or maintenance of the cemeteries and various community organizations.

CITY OF PRESQUE ISLE, MAINE

COMBINING BALANCE SHEET - NONMAJOR PERMANENT FUNDS
DECEMBER 31, 2014

	Cemetery Perpetual Care	School Lunch	Volunteer Fire Department	Bike and Walk Path Fund	Burlock Lavway Scholarship Fund	Totals
ASSETS						
Cash and cash equivalents	\$ 38,461	\$ 325	\$ 1,971	\$ 1,525	\$ 9,529	\$ 51,811
Investments	636,294	5,369	32,609	25,230	-	699,502
Due from other funds	-	-	-	-	-	-
TOTAL ASSETS	<u><u>\$ 674,755</u></u>	<u><u>\$ 5,694</u></u>	<u><u>\$ 34,580</u></u>	<u><u>\$ 26,755</u></u>	<u><u>\$ 9,529</u></u>	<u><u>\$ 751,313</u></u>
LIABILITIES						
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL LIABILITIES	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
FUND BALANCES						
Nonspendable - principal	-	-	-	20,000	-	20,000
Restricted	674,755	5,694	34,580	6,755	9,529	731,313
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	<u><u>674,755</u></u>	<u><u>5,694</u></u>	<u><u>34,580</u></u>	<u><u>26,755</u></u>	<u><u>9,529</u></u>	<u><u>751,313</u></u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 674,755</u></u>	<u><u>\$ 5,694</u></u>	<u><u>\$ 34,580</u></u>	<u><u>\$ 26,755</u></u>	<u><u>\$ 9,529</u></u>	<u><u>\$ 751,313</u></u>

CITY OF PRESQUE ISLE, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR PERMANENT FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Cemetery Perpetual Care	School Lunch	Volunteer Fire Department	Bike and Walk Path Fund	Burlock Lavway Scholarship Fund	Totals
REVENUES						
Interest Income	\$ 111,404	\$ 913	\$ 5,407	\$ 4,324	\$ 2	\$ 122,050
Unrealized Gains(Loss)	(70,739)	(579)	(3,390)	(2,745)	-	(77,453)
Other	-	-	1,045	-	-	1,045
TOTAL REVENUES	<u>40,665</u>	<u>334</u>	<u>3,062</u>	<u>1,579</u>	<u>2</u>	<u>45,642</u>
EXPENDITURES						
Fees	4,841	40	239	188	-	5,308
Other	21,002	-	-	249	-	21,251
TOTAL EXPENDITURES	<u>25,843</u>	<u>40</u>	<u>239</u>	<u>437</u>	<u>-</u>	<u>26,559</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>14,822</u>	<u>294</u>	<u>2,823</u>	<u>1,142</u>	<u>2</u>	<u>19,083</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	14,822	294	2,823	1,142	2	19,083
FUND BALANCES, JANUARY 1	<u>659,933</u>	<u>5,400</u>	<u>31,757</u>	<u>25,613</u>	<u>9,527</u>	<u>732,230</u>
FUND BALANCES, DECEMBER 31	<u>\$ 674,755</u>	<u>\$ 5,694</u>	<u>\$ 34,580</u>	<u>\$ 26,755</u>	<u>\$ 9,529</u>	<u>\$ 751,313</u>

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

CITY OF PRESQUE ISLE, MAINE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
AIRPORT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Airport</u>	<u>Totals</u>
REVENUES		
Charges for services:		
Terminal rentals	\$ 83,401	\$ 83,401
Landing fees	187,440	187,440
Concessionaire fee	42,675	42,675
Hanger rentals	20,296	20,296
Airport parking fees	39,651	39,651
Vending income	476	476
General aviation	1,526,346	1,526,346
Other revenue	36,692	36,692
TOTAL REVENUES	<u>1,936,977</u>	<u>1,936,977</u>
EXPENDITURES		
Wages and benefits	518,125	518,125
Utilities	157,151	157,151
Supplies/equipment	1,229,408	1,229,408
Repairs/maintenance	86,722	86,722
Insurance	22,123	22,123
Other	17,500	17,500
TOTAL EXPENDITURES	<u>2,031,029</u>	<u>2,031,029</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(94,052)</u>	<u>(94,052)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	91,531	91,531
Transfers (out)	<u>(36,500)</u>	<u>(36,500)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>55,031</u>	<u>55,031</u>
NET CHANGE IN FUND BALANCES	(39,021)	(39,021)
FUND BALANCES, JANUARY 1	<u>-</u>	<u>-</u>
FUND BALANCES, DECEMBER 31	<u><u>\$ (39,021)</u></u>	<u><u>\$ (39,021)</u></u>

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

General Capital Assets

General capital assets are those assets related to activities reported in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position.

CITY OF PRESQUE ISLE, MAINE

SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION
DECEMBER 31, 2014

	Land, Non- Depreciable Infrastructure and Construction in Progress	Buildings, Land and Building Improvements	Furniture, Fixtures, Equipment and Vehicles	Infrastructure	Totals
General Government	\$ 4,115,217	\$ 14,907,775	\$ 394,450	\$ -	\$ 19,417,442
Public Safety	375,000	3,675,320	4,229,203	-	8,279,523
Public Works	41,000	1,872,835	3,345,490	19,488,121	24,747,446
Airport	1,276,675	13,015,090	2,862,193	22,279,101	39,433,059
Solid Waste	622,700	1,422,637	1,947,249	7,029,451	11,022,037
Recreation	2,872,897	6,496,720	711,215	-	10,080,832
Total General Capital Assets	9,303,489	41,390,377	13,489,800	48,796,673	112,980,339
Less: Accumulated Depreciation	-	(28,201,081)	(8,300,308)	(17,244,566)	(53,745,955)
Net General Capital Assets	<u>\$ 9,303,489</u>	<u>\$ 13,189,296</u>	<u>\$ 5,189,492</u>	<u>\$ 31,552,107</u>	<u>\$ 59,234,384</u>

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

CITY OF PRESQUE ISLE, MAINE

SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS BY FUNCTION
FOR THE YEAR ENDED DECEMBER 31, 2014

	General Capital Assets 1/1/14	Additions	Deletions	General Capital Assets 12/31/14
General Government	\$ 19,303,965	\$ 125,661	\$ (12,184)	\$ 19,417,442
Public Safety	7,756,050	598,723	(75,250)	8,279,523
Public Works	24,328,766	418,680	-	24,747,446
Airport	38,698,616	735,943	(1,500)	39,433,059
Solid Waste	11,022,037	-	-	11,022,037
Recreation	8,867,453	1,256,195	(42,816)	10,080,832
Total General Capital Assets	109,976,887	3,135,202	(131,750)	112,980,339
Less: Accumulated Depreciation	<u>(50,561,417)</u>	<u>(3,315,591)</u>	<u>131,053</u>	<u>(53,745,955)</u>
Net General Capital Assets	<u>\$ 59,415,470</u>	<u>\$ (180,389)</u>	<u>\$ (697)</u>	<u>\$ 59,234,384</u>

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

STATISTICAL SECTION

This part of the City of Presque Isle's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

<u>Contents</u>	<u>Tables</u>
Financial Trends <i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	1 - 5
Revenue Capacity <i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i>	6 - 9
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the government's ability to issue additional debt in the future.</i>	10 – 12
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i>	13 - 14
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	15 - 16

Table 1

CITY OF PRESQUE ISLE, MAINE
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities										
Net investment in capital assets	\$ 35,369,720	\$ 36,363,913	\$ 41,075,258	\$ 47,124,474	\$ 52,403,992	\$ 53,914,937	\$ 52,297,509	\$ 51,509,110	\$ 50,931,088	\$ 51,001,689
Restricted (a)	7,460,089	7,460,089	657,080	540,361	607,019	645,630	3,389,997	3,322,212	3,556,999	3,404,836
Unrestricted	<u>2,484,217</u>	<u>3,173,693</u>	<u>8,459,355</u>	<u>7,874,580</u>	<u>6,707,081</u>	<u>5,149,664</u>	<u>3,444,455</u>	<u>3,242,563</u>	<u>4,194,578</u>	<u>5,497,287</u>
Total governmental activities net position	<u>\$ 45,314,026</u>	<u>\$ 46,997,695</u>	<u>\$ 50,191,693</u>	<u>\$ 55,539,415</u>	<u>\$ 59,718,092</u>	<u>\$ 59,710,231</u>	<u>\$ 59,131,961</u>	<u>\$ 58,073,885</u>	<u>\$ 58,682,665</u>	<u>\$ 59,903,812</u>

(a) Beginning in the fiscal year ending December 31, 2011, the City changed the way it accounts for restricted net position.

Table 2

CITY OF PRESQUE ISLE, MAINE
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

Expenses	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities:										
General government	\$ 2,566,370	\$ 2,798,297	\$ 4,450,939	\$ 4,394,842	\$ 4,318,921	\$ 4,941,896	\$ 4,674,607	\$ 4,889,842	\$ 4,716,128	\$ 4,067,679
Public safety	1,991,836	1,210,298	2,651,781	2,622,451	2,526,579	2,597,925	2,634,579	2,486,138	2,751,289	2,508,598
Public works	1,677,792	1,622,073	2,653,500	2,773,241	2,511,224	2,588,693	2,815,777	3,077,507	1,168,012	2,741,027
Airport	1,257,014	1,305,590	2,184,548	2,322,768	2,437,749	2,489,402	2,712,857	3,064,007	3,342,171	2,031,029
Solid waste	1,022,685	1,490,855	1,200,123	1,175,127	1,069,839	1,536,356	2,355,571	2,319,919	1,221,998	1,573,640
Recreation and culture	1,250,133	1,216,046	1,511,065	1,533,570	1,501,938	1,490,592	1,544,757	1,430,088	1,515,441	1,237,803
Education	4,756,148	4,958,701	5,017,959	4,981,055	5,218,390	5,375,744	5,375,744	5,379,470	5,790,920	6,150,296
County Tax		507,060								603,602
TIF										131,373
Program Expenditures		3,228,449								96,865
Interest on debt service	76,580	209,029	164,097	163,307	196,329	151,761	398,620	374,636	623,921	129,953
Total governmental activities expenses	14,598,558	18,546,398	19,834,012	19,966,361	19,780,969	21,172,369	22,512,512	23,021,607	21,129,880	21,271,865
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 69,250	\$ 82,320	\$ 754,874	\$ 775,474	\$ 732,549	\$ 669,519	\$ 702,109	\$ 753,999	\$ 871,603	\$ 202,119
Public safety	13,956	10,335	94,884	98,440	152,242	100,483	92,737	44,691	59,349	89,871
Public works	-	-	15,169	13,017	15,623	10,056	12,012	5,526	6,795	-
Airport	873,510	1,111,340	1,234,121	1,430,242	1,117,367	1,114,214	1,439,342	1,644,060	1,646,208	1,936,977
Solid Waste	259,275	195,067	1,016,077	761,725	733,021	783,478	1,596,920	1,670,927	1,672,625	1,720,313
Recreation and culture	-	-	427,289	415,189	440,594	437,898	436,168	430,395	403,917	336,046
Program Revenues	-	-	-	-	-	-	-	-	-	614,048
Operating grants and contributions	-	651,675	745,551	233,590	327,278	872,228	545,679	663,864	474,687	1,042,892
Capital grants and contributions	-	1,516,858	4,792,969	7,268,068	4,920,508	1,782,404	1,776,696	1,488,310	757,936	-
Total governmental activities program revenues	1,215,991	3,567,595	9,080,934	10,995,745	8,439,182	5,770,280	6,601,663	6,701,772	5,893,120	5,942,266
Net (expense)/revenue										
Governmental activities	(13,382,567)	(14,978,803)	(10,753,078)	(8,970,616)	(11,341,787)	(15,402,089)	(15,910,849)	(16,319,835)	(15,236,760)	(15,329,599)
Total primary government net (expense)/revenue	<u>\$ (13,382,567)</u>	<u>\$ (14,978,803)</u>	<u>\$ (10,753,078)</u>	<u>\$ (8,970,616)</u>	<u>\$ (11,341,787)</u>	<u>\$ (15,402,089)</u>	<u>\$ (15,910,849)</u>	<u>\$ (16,319,835)</u>	<u>\$ (15,236,760)</u>	<u>\$ (15,329,599)</u>
General Revenues and other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes, levied for general purposes	\$ 10,365,232	\$ 10,518,060	\$ 10,558,300	\$ 10,693,926	\$ 11,603,254	\$ 12,021,452	\$ 12,050,893	\$ 11,955,543	\$ 12,534,949	\$ 13,076,652
Motor vehicle excise tax	1,431,365	1,461,342	1,472,532	1,452,219	1,433,630	1,419,911	1,421,656	1,454,296	1,536,329	1,526,280
Cable television franchise	-	-	51,284	56,916	60,017	62,669	64,744	64,438	61,755	59,836
Unrestricted grants and contributions	5,599,125	1,629,578	2,202,873	2,360,645	1,845,885	1,625,123	1,607,047	1,562,793	1,405,817	1,428,254
Miscellaneous	2,048,659	2,765,021	328,493	491,266	218,003	102,981	92,815	83,345	113,755	363,671
Interest and investment earnings	-	-	427,397	271,354	359,675	162,092	95,424	141,344	192,935	96,053
Total governmental activities	<u>\$ 19,444,381</u>	<u>\$ 16,374,001</u>	<u>\$ 15,040,879</u>	<u>\$ 15,326,326</u>	<u>\$ 15,520,464</u>	<u>\$ 15,394,228</u>	<u>\$ 15,332,579</u>	<u>\$ 15,261,759</u>	<u>\$ 15,845,540</u>	<u>\$ 16,550,746</u>
Change in Net Position										
Governmental activities	\$ 6,061,814	\$ 1,395,198	\$ 4,287,801	\$ 6,355,710	\$ 4,178,677	\$ (7,861)	\$ (578,270)	\$ 1,058,076	\$ 608,780	\$ 1,221,147
Total primary government	<u>\$ 6,061,814</u>	<u>\$ 1,395,198</u>	<u>\$ 4,287,801</u>	<u>\$ 6,355,710</u>	<u>\$ 4,178,677</u>	<u>\$ (7,861)</u>	<u>\$ (578,270)</u>	<u>\$ 1,058,076</u>	<u>\$ 608,780</u>	<u>\$ 1,221,147</u>

Table 3

CITY OF PRESQUE ISLE, MAINE
Program Revenues by Function/Program
Last Ten Fiscal Years
(accrual basis of accounting)

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities:										
General government	\$ 69,250	\$ 1,599,178	\$ 1,009,704	\$ 794,704	\$ 732,549	\$ 1,063,659	\$ 964,890	\$ 1,092,166	\$ 1,077,645	\$ 277,191
Public safety	13,956	10,335	401,175	160,295	346,498	334,585	378,506	369,451	292,402	177,607
Public works	-	-	383,722	1,773,055	203,931	223,774	215,189	208,976	311,125	184,284
Airport	873,510	1,111,340	5,658,537	6,938,272	5,849,567	2,522,082	1,670,575	2,648,069	2,003,861	1,936,977
Solid waste	259,275	846,742	1,147,579	893,196	861,674	925,702	1,705,536	1,906,276	1,748,859	1,720,313
Recreation and culture	-	-	480,217	436,223	444,963	700,478	1,666,967	476,834	459,228	336,046
Programs	-	-	-	-	-	-	-	-	-	1,309,848
Total governmental activities	<u>1,215,991</u>	<u>3,567,595</u>	<u>9,080,934</u>	<u>10,995,745</u>	<u>8,439,182</u>	<u>5,770,280</u>	<u>6,601,663</u>	<u>6,701,772</u>	<u>5,893,120</u>	<u>5,942,266</u>
Total primary government	<u>\$ 1,215,991</u>	<u>\$ 3,567,595</u>	<u>\$ 9,080,934</u>	<u>\$ 10,995,745</u>	<u>\$ 8,439,182</u>	<u>\$ 5,770,280</u>	<u>\$ 6,601,663</u>	<u>\$ 6,701,772</u>	<u>\$ 5,893,120</u>	<u>\$ 5,942,266</u>

Table 4

CITY OF PRESQUE ISLE, MAINE
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011 (a)	2012	2013	2014
General fund										
Nonspendable										\$ 170,500
Committed							\$ 1,712,886	\$ 1,792,142	\$ 1,892,560	-
Assigned							51,165	51,431	177,247	107,232
Unassigned							2,146,195	2,089,444	1,824,405	1,220,800
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
Unreserved	3,265,826	2,890,755	3,464,879	3,108,754	2,840,081	2,291,584				
Total general fund	<u>\$ 3,265,826</u>	<u>\$ 2,890,755</u>	<u>\$ 3,464,879</u>	<u>\$ 3,108,754</u>	<u>\$ 2,840,081</u>	<u>\$ 2,291,584</u>	<u>\$ 3,910,246</u>	<u>\$ 3,933,017</u>	<u>\$ 3,894,212</u>	<u>\$ 1,498,532</u>
All other governmental funds										
Nonspendable							\$ 1,651,696	\$ 1,499,348	\$ 1,499,348	\$ 1,052,194
Restricted							1,738,301	1,822,864	1,822,864	3,384,836
Committed							4,368,662	4,250,602	4,250,602	4,268,174
Unassigned							(337,403)	(310,744)	(310,744)	(344,579)
Reserved	\$ -	\$ -	\$ 960,231	\$ 939,958	\$ 1,159,491	\$ 1,487,382				
Unreserved, reported in:										
Special revenue funds	3,923,191	4,601,761	3,949,102	4,102,489	3,727,446	3,338,726				
Capital projects funds	2,936,418	2,471,001	1,770,159	736,590	(578,180)	(3,046,391)				
Permanent Funds	600,480	632,750	657,080	520,361	587,019	625,630				
Total all other governmental funds	<u>\$ 7,460,089</u>	<u>\$ 7,705,512</u>	<u>\$ 7,336,572</u>	<u>\$ 6,299,398</u>	<u>\$ 4,895,776</u>	<u>\$ 2,405,347</u>	<u>\$ 7,421,256</u>	<u>\$ 7,262,070</u>	<u>\$ 7,262,070</u>	<u>\$ 8,360,625</u>

(a) Beginning in the fiscal year ending December 31, 2011, the City adopted the provisions of GASB Statement No. 54.

Table 5

CITY OF PRESQUE ISLE, MAINE
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues										
Taxes	\$ 10,365,232	\$ 10,513,597	\$ 10,501,675	\$ 10,454,926	\$ 11,572,254	\$ 11,918,452	\$ 12,038,893	\$ 11,914,543	\$ 12,497,949	\$ 13,041,652
Excise taxes	1,431,365	1,461,342	1,472,532	1,452,219	1,433,630	1,419,911	1,421,656	1,454,296	1,536,329	1,526,280
Intergovernmental	5,599,125	3,798,111	7,741,393	8,332,303	7,093,671	3,932,546	2,667,110	3,602,143	2,625,900	2,471,146
Licenses, permits, and fees	-	-	269,051	342,446	293,894	280,373	202,278	177,665	234,170	-
Charges for services	1,215,991	1,399,062	2,841,771	2,983,408	2,682,627	2,767,521	4,021,333	4,266,264	4,275,953	4,899,374
Unclassified	2,048,659	2,765,021	811,369	716,415	492,895	745,613	1,475,548	366,276	338,424	-
Interest/investment income	-	-	427,397	271,354	359,675	162,092	95,424	141,344	192,935	69,980
Other Revenue										449,580
Total revenues	20,660,372	19,937,133	24,065,188	24,553,071	23,928,646	21,226,508	21,922,242	21,922,531	21,701,660	22,458,012
Expenditures										
General government	2,434,977	2,613,998	3,219,552	3,368,689	3,231,315	3,411,839	3,590,133	3,669,662	3,474,156	3,359,133
Public safety	1,908,859	2,106,322	2,464,973	2,369,920	2,360,922	2,446,174	2,415,255	2,379,866	2,478,214	2,216,973
Public works	1,677,792	1,622,073	1,916,205	2,102,537	2,005,386	2,132,829	2,062,078	2,076,095	2,080,725	2,034,957
Airport	923,542	1,247,597	6,085,012	7,272,965	6,181,632	2,667,398	1,727,426	1,854,421	2,035,279	2,031,029
Solid waste	1,276,692	1,459,329	919,156	1,283,177	856,831	991,795	1,699,742	1,799,471	1,361,812	3,820,663
Recreation and culture	1,065,165	1,167,070	1,376,823	1,962,418	1,554,563	1,398,408	1,367,469	1,270,469	1,331,972	1,057,313
Education	4,756,148	4,958,701	5,017,959	4,981,055	5,218,390	5,375,744	5,375,744	5,379,470	5,790,920	6,150,296
Outside requests	72,465	53,565	58,400	58,620	59,915	64,250	64,250	39,850	41,600	41,600
Intergovernmental	485,748	507,060	514,577	554,661	560,973	562,365	574,757	605,109	613,702	603,602
TIF										131,373
Unclassified	554,952	343,237	214,173	139,960	129,306	169,554	146,798	126,384	133,477	372,074
Program expenditures										145,010
Capital outlay	5,964,394	2,900,816	3,217,837	2,309,536	1,871,414	4,577,327	2,020,841	2,192,123	1,191,220	1,682,733
Debt service	384,801	466,532	375,408	471,366	1,570,294	467,751	553,178	704,226	685,588	630,183
Total expenditures	21,505,535	19,446,300	25,380,075	26,874,904	25,600,941	24,265,434	21,597,671	22,097,146	21,218,665	24,276,939
Excess (deficiency) of revenues over (under) expenditures	(845,163)	490,833	(1,314,887)	(2,321,833)	(1,672,295)	(3,038,926)	324,571	(174,615)	482,995	(1,818,927)
Other financing sources (uses)										
Issuance of debt	566,185	-	1,145,000	928,534	-	-	6,310,000	38,200	-	-
Transfers in	1,896,819	1,891,927	1,668,655	2,227,856	2,576,187	2,259,924	2,074,819	1,882,525	2,221,242	2,537,993
Transfers out	(1,896,819)	(1,891,927)	(1,668,655)	(2,227,856)	(2,576,187)	(2,259,924)	(2,074,819)	(1,882,525)	(2,221,242)	(2,537,993)
Total other financing sources (uses)	566,185	-	1,145,000	928,534	-	-	6,310,000	38,200	-	-
Net change in fund balances	\$ (278,978)	\$ 490,833	\$ (169,887)	\$ (1,393,299)	\$ (1,672,295)	\$ (3,038,926)	\$ 6,634,571	\$ (136,415)	\$ 482,995	\$ (1,818,927)
Debt service as a percentage of noncapital expenditures	2.48%	2.82%	2.12%	2.95%	8.59%	2.64%	2.88%	3.50%	3.57%	2.98%

(a) The City paid off two outstanding notes payable during the year ended December 31, 2009.

Table 6

CITY OF PRESQUE ISLE, MAINE
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Tax Roll Year	Real Property	Taxable Personal Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value (a)	Assessed Value as a Percentage of Actual Value
2005	320,346,700	44,663,200	365,009,900	12.84	398,050,000	91.70%
2006	329,345,150	45,763,200	375,108,350	12.59	422,550,000	88.77%
2007	356,249,410	46,059,200	402,308,610	12.39	436,300,000	92.21%
2008	411,743,200	50,234,100	461,977,300	11.17	490,850,000	94.12%
2009	422,075,300	51,001,500	473,076,800	12.30	515,600,000	91.75%
2010	462,100,650	52,569,700	514,670,350	11.96	544,400,000	94.54%
2011	461,521,450	52,739,700	514,261,150	11.93	565,150,000	91.00%
2012	461,712,650	48,371,000	510,083,650	11.76	590,350,000	86.40%
2013	461,998,350	46,733,500	508,731,850	12.11	571,950,000	88.95%
2014	463,947,280	46,633,100	510,580,380	12.19	565,700,000	90.26%

(a) Source: State of Maine, Bureau of Property Taxation, Property Division

Table 7

CITY OF PRESQUE ISLE, MAINE
Direct and Overlapping Property Tax Rates (Per \$1,000 of Assessed Value)
Direct and Overlapping Governments
Last Ten Fiscal Years

Tax Year	Direct Rates			Overlapping Rates		Total
	Basic Rate	Debt Service	Total Direct	Aroostook County	M.S.A.D. #1	Total Tax rate
2005	11.73	1.11	12.84	1.29	12.57	26.70
2006	11.51	1.08	12.59	1.26	12.35	26.20
2007	11.30	1.09	12.39	1.31	12.45	26.15
2008	9.89	1.28	11.17	1.20	10.78	23.15
2009	11.08	1.22	12.30	1.19	11.03	24.52
2010	11.19	0.77	11.96	1.09	10.45	23.50
2011	11.08	0.85	11.93	1.12	10.45	23.50
2012	11.07	0.69	11.76	1.19	10.55	23.50
2013	11.43	0.68	12.11	1.21	11.38	24.70
2014	11.02	1.17	12.19	1.18	12.05	25.42

Tax rates based on \$1,000 of assessed value.

Source: City Finance Department

Table 8

CITY OF PRESQUE ISLE, MAINE
Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	2014			2005		
	Assessed Valuation	Rank	Percentage of Total Assessed Value	Assessed Valuation	Rank	Percentage of Total Assessed Value
EMERA MAINE	\$ 19,476,600	1	3.81%	\$ 12,489,400	2	3.30%
Aroostook Centre LLC	15,083,200	2	2.95%	14,795,200	1	3.91%
Wal-Mart	12,806,600	3	2.51%	10,498,900	3	2.78%
R & L Real Estate LLC	11,219,100	4	2.20%			
Lowe's Home Centers, Inc	7,317,400	5	1.43%			
Leisure Gardens, Inc	6,282,100	6	1.23%	4,733,400	5	1.25%
BLD Hospitality, LLC	5,016,500	7	0.98%			
MMG Insurance Co	5,088,700	8	1.00%	2,730,100	10	0.72%
Columbia Forest Products, Inc	4,971,200	9	0.97%	5,859,000	4	1.55%
Maine Potato Growers Inc	3,590,500	10	0.70%	2,940,800	9	0.78%
Juster, Doris & Ann				3,324,000	6	0.88%
Northeast Packaging				3,094,100	8	0.82%
Maine Potato Growers Inc						
KSB Enterprises				3,127,600	7	0.83%
	<u>\$ 90,851,900</u>		<u>17.79%</u>	<u>\$ 63,592,500</u>		<u>16.81%</u>
Total Assessed Valuation	\$ 510,580,380			\$ 378,256,750		

Source: City Assessment Records

Table 9

CITY OF PRESQUE ISLE, MAINE
Total Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Tax Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2005	\$ 9,750,764	\$ 8,929,182	91.57%	\$ 804,305	\$ 9,733,487	99.82%
2006	10,525,029	9,986,789	94.89%	531,848	10,518,637	99.94%
2007	10,520,370	9,854,447	93.67%	663,311	10,517,758	99.98%
2008	10,694,774	9,945,691	93.00%	747,095	10,692,786	99.98%
2009	11,600,316	10,801,848	93.12%	792,143	11,593,991	99.95%
2010	12,094,753	11,174,937	92.39%	912,369	12,087,306	99.94%
2011	12,094,998	11,146,701	92.16%	947,288	12,093,989	99.99%
2012	11,986,966	11,098,299	92.59%	880,655	11,978,954	99.93%
2013	12,565,677	11,635,946	92.60%	619,959	12,255,905	97.53%
2014	12,996,655	12,097,575	93.08%		12,097,575	93.08%

Source: City Assessment and Accounting Records

Table 10

CITY OF PRESQUE ISLE, MAINE
Ratios of Net General Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Capital Lease	Notes Payable	Total	Personal Income (a)	Percentage of Personal Income	Population (b)	Per Capita	Percentage of Estimated Actual Taxable Value of Property (c)
2005	\$ 2,589,258	\$ 28,520	\$ 423,028	\$ 3,040,806	\$ 243,079,971	1.25%	9,377	\$ 324.28	0.61%
2006	2,527,956	-	70,136	2,598,092	243,079,971	1.07%	9,377	277.07	0.58%
2007	3,456,003	-	57,370	3,513,373	247,203,840	1.42%	9,285	378.39	0.70%
2008	3,166,684	-	966,978	4,133,662	254,002,800	1.63%	9,200	449.31	0.61%
2009	2,833,434	-	158,747	2,992,181	250,078,650	1.20%	9,050	330.63	0.52%
2010	2,576,567	-	106,466	2,683,033	268,353,000	1.00%	9,000	298.11	0.46%
2011	8,569,700	-	28,910	8,598,610	279,488,204	3.08%	9,692	887.19	1.45%
2012	8,273,908	-	38,200	8,312,108	288,431,826	2.88%	9,658	860.64	1.45%
2013	8,120,093		364,291	8,484,384	291,575,732	2.91%	9,596	884.16	1.44%
2014	7,643,574		340,580	7,984,154	291,396,165	2.74%	9,402	849.20	1.35%

(a) See Table 14

(b) See Table 14

(c) See Table 8. General Obligation Bond divided by the Estimated Actual Taxable Value.

Table 11

CITY OF PRESQUE ISLE, MAINE
Direct and Overlapping Governmental Activities Debt
December 31, 2014

Jurisdiction	Debt Outstanding	Percentage Applicable to Government	Amount Applicable to Government
Direct:			
City of Presque Isle General Obligation	\$ 7,643,574	100.00%	\$ 7,643,574
City of Presque Isle Notes Payable	340,579	100.00%	340,579
Total direct debt	<u>7,984,153</u>		<u>7,984,153</u>
Overlapping:			
M.S.A.D. #1	6,461,889	73.62%	4,757,242
Aroostook County	-	0.00%	-
Total overlapping debt	<u>6,461,889</u>		<u>4,757,242</u>
Total direct and overlapping debt	<u>\$ 14,446,042</u>		<u>\$ 12,741,395</u>

Note: Annually, Aroostook County assesses each municipality its proportionate share of the County tax required to fund the County budget. Annually, M.S.A.D. #1 assesses each municipality its proportionate share of the School assessment required to fund the School budget. The County tax and School assessments applicable to the City of Presque Isle is included in the total property tax levy of the City of Presque Isle.

Sources: The outstanding debt for Aroostook County has been provided by the County. The percentage applicable to the City of Presque Isle is based on the ratio of the State equalized assessed valuation for the City of Presque Isle versus the equalized State valuation for Aroostook County.

The outstanding debt for M.S.A.D. #1 has been provided by the District. The percentage applicable to the City of Presque Isle is based on the ratio of the State equalized assessed valuation for the City of Presque Isle versus the equalized State valuation of all municipalities located within the District.

Table 12

CITY OF PRESQUE ISLE, MAINE
Legal Debt Margin Information
December 31, 2014

The amount of debt a Maine municipality may have is governed by title 30-A.M.R.S.A. section 5702. The law limits total debt and debt for specific categories. Total debt cannot exceed 7.5% of the City's last full State Valuation. Debt for specific categories is limited to a percentage of State Valuation. As the following table indicates, based on a 2014 State Valuation of \$565,700,000 the City is in compliance with the total and categorical debt limits:

Debt Limit by Category

<u>Type of Debt</u>	<u>Maximum Percent Allowable</u>	<u>Maximum Amount Allowable</u>	<u>Principal Amount Outstanding</u>	<u>Legal Debt Margin</u>
Municipal	7.50%	42,427,500	7,984,154	34,443,346
Total Maximum Debt	7.50%	\$ 42,427,500	<u>\$ 7,984,154</u>	\$ 34,443,346

Legal Debt Margin Calculation for Fiscal Year 2014

State Valuation	\$ 565,700,000
Debt Limit - 7.5% of State Valuation	42,427,500
Less outstanding debt applicable to debt limit	<u>(7,984,154)</u>
Legal Debt Margin	<u>\$ 34,443,346</u>

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Debt limit	\$ 28,369,256	\$ 28,133,126	\$ 32,722,500	\$ 36,813,750	\$ 38,670,000	\$ 40,830,000	\$ 42,386,250	\$ 44,276,250	\$ 42,896,250	\$ 42,427,500
Total debt applicable to limit	<u>2,589,258</u>	<u>2,378,744</u>	<u>3,456,003</u>	<u>3,166,684</u>	<u>2,833,434</u>	<u>2,576,567</u>	<u>8,569,700</u>	<u>8,273,908</u>	<u>8,120,093</u>	<u>7,984,154</u>
Legal debt margin	\$ 25,779,998	\$ 25,754,382	\$ 29,266,497	\$ 33,647,066	\$ 35,836,566	\$ 38,253,433	\$ 33,816,550	\$ 36,002,342	\$ 34,776,157	\$ 34,443,346
Total debt applicable to the limit as a percentage of debt limit	9.13%	9.13%	10.56%	8.60%	7.33%	6.31%	20.22%	18.69%	18.93%	18.82%

Table 13

CITY OF PRESQUE ISLE, MAINE
Principal Employers
Current Year and Nine Years Ago

Employer	2014		2005	
	Employees	Rank	Employees	Rank
Aroostook Medical Center	1000-4999	1	Information not available	
Wal-Mart Superstore	500-999	2		
Burrelle's Press Clipping Service	100-249	3		
University of Maine at Presque Isle	100-249	4		
Columbia Forest Products	100-249	5		
Maine Public Service/EMERA	100-249	6		
Northern Maine Community College	100-249	7		
Presque Isle Nursing Home	100-249	8		
Lowe's	100-249	9		
Maine Mutual Insurance Group	100-249	10		

Source: Aroostook Partnership for Progress

Table 14

CITY OF PRESQUE ISLE, MAINE
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population (a)	Personal Income (b)	Per Capita Personal Income (a)	School Enrollment (d)	Unemployment Rate (c)
2005	9,377	\$ 243,079,971	\$ 25,923	1,578	4.90%
2006	9,377	243,079,971	25,923	1,874	5.00%
2007	9,285	247,203,840	26,624	1,842	4.80%
2008	9,200	254,002,800	27,609	1,863	5.80%
2009	9,050	250,078,650	27,633	1,797	7.90%
2010	9,000	268,353,000	29,817	1,692	8.60%
2011	9,692	279,488,204	28,837	1,620	8.70%
2012	9,658	288,431,826	29,865	1,594	7.70%
2013	9,596	291,575,732	30,385	1,578	7.50%
2014	9,402	291,396,165	30,993	1,548	6.60%

(a) Source: City of Presque Isle/State Planning Office/Economic Forecasting Commission

(b) Source: Bureau of Economic Analysis/Economic Forecasting Commission

(c) Source: State of Maine Center for Workforce Research

(d) Source: State of Maine, Department of Education

Table 15

CITY OF PRESQUE ISLE, MAINE
Full-time Employees by Function/Program
Last Ten Fiscal Years

Function	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government:										
Administration:										
City Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Executive Assistant	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Deputy City Manager	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	1.00	1.00
Human Resources Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.00	0.00	0.00
Administrative Assistant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	1.00	0.00
Payroll Clerk/HR Specialist	1.00	1.00	1.00	1.00	0.00	1.00	1.00	1.00	0.50	1.00
City Clerk	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Welfare/Clerk	0.50	0.50	0.50	0.75	1.00	0.50	0.50	0.50	0.50	1.00
Custodian	0.00	0.00	0.00	0.00	0.50	0.50	0.50	0.50	0.50	0.50
Planning Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Planner	0.00	0.00	0.00	1.00	1.00	1.00	0.00	0.00	0.00	0.00
Grant Writer	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50
Finance:										
Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Deputy Finance Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Tax Collector	4.00	4.00	4.00	4.00	4.00	4.00	4.00	3.00	3.00	3.00
Public Safety:										
Police:										
Chief	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Deputy Chief	0.00	0.00	0.00	0.00	0.00	0.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.75	1.75	1.75
Detective	2.00	2.00	2.00	1.00	1.00	1.00	0.00	0.00	0.00	0.00
MDEA	0.00	1.00	1.00	1.00	1.00	1.00	0.00	1.00	1.00	1.00
Sergeant	4.00	3.00	4.00	5.00	5.00	5.00	3.00	2.00	2.00	2.00
Corporal	0.00	0.00	0.00	0.00	0.00	0.00	1.00	1.00	1.00	1.00
Patrol Officer	12.00	12.00	12.00	12.00	12.00	12.00	11.00	11.00	10.00	10.00
Dispatcher	2.00	2.00	2.00	2.00	1.00	1.00	3.00	3.00	4.00	4.00
Parking Enforcement	0.75	0.75	0.75	0.75	0.00	0.00	0.00	0.00	0.00	0.00
Animal Control Officer	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Custodian	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Fire:										
Chief	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Captains	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Firefighters	12.00	12.00	12.00	12.00	12.00	12.00	9.00	8.00	8.00	8.00
Code Enforcement	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.75	1.75	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Airport:										
Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	2.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00
Maintenance	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.50	5.50
Custodian	0.00	0.00	0.00	0.00	0.00	0.50	0.50	0.50	0.50	0.50
Page Total	63.5 #	63.5 #	63.75 #	65 #	63 #	63 #	58 #	57.25 #	57.25	57.75

Table 15, continued

CITY OF PRESQUE ISLE, MAINE
Full-time Employees by Function/Program, continued
Last Ten Fiscal Years

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Function										
Tax Assessing										
Assessor	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Assessors	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.00
Public Services:										
Director	0.00	0.00	0.00	0.00	0.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	0.25	0.25	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Solid Waste:										
Director	1.00	1.00	1.00	1.00	1.00	1.00	0.00	0.00	0.00	0.00
Supervisor	0.00	0.00	0.00	0.00	0.00	1.00	1.00	1.00	0.35	2.00
Equipment Operations	5.00	5.00	5.00	5.00	5.00	6.00	5.00	5.00	5.00	3.50
Public Works:										
Deputy Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Supervisor	1.00	1.00	1.00	1.00	1.00	1.00	0.00	0.00	0.00	0.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Truck Drivers/Equip Operators	9.00	9.00	9.00	9.00	9.00	9.00	8.00	8.00	8.00	10.00
Mechanic	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Laborer	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.00
Custodian	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50	0.50	0.50
Facilities	0.00	0.00	0.00	0.00	0.00	0.00	1.00	1.00	0.50	0.00
Library:										
Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Librarians	5.50	5.50	6.00	6.00	6.00	7.00	7.00	6.00	6.00	6.00
Custodian	0.00	0.00	0.00	0.00	0.00	0.50	0.50	0.50	0.50	0.50
Recreation:										
Director	2.00	2.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00
Deputy Director	0.00	0.00	0.00	0.00	0.00	0.00	1.00	1.00	0.00	1.00
Programmer	1.00	1.00	1.00	1.00	1.00	0.50	1.00	1.00	1.00	1.00
Recreation Staff	2.50	2.00	2.00	2.00	2.00	2.00	2.00	3.00	4.00	2.50
Event Facility Staff	2.50	2.00	2.00	2.00	2.00	2.00	2.00	1.00	1.50	1.60
Administrative Assistants	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Maintenance	4.00	4.00	4.00	4.00	4.00	4.00	3.50	3.50	3.00	3.50
Aquatics Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Aquatics Director	1.00	1.00	1.00	1.00	1.00	1.00	0.00	0.00	0.00	0.00
Indoor Pool Staff	3.00	4.00	4.00	3.50	3.50	3.50	3.00	3.00	2.00	0.60
Total	112.25	112.25	114.75	115.50	113.50	117.50	108.00	106.75	104.60	103.45
In addition there are:										
On-Call Fire Fighters	32.00	33.00	33.00	33.00	34.00	33.00	33.00	33.00	33.00	33.00
Council	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00

Source - City payroll records

Table 16

CITY OF PRESQUE ISLE, MAINE
Operating Indicators by Function/Program
Last Ten Fiscal Years

<u>Function</u>	<u>Fiscal Year</u>									
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General Government:										
Code enforcement:										
Residential construction value	\$ 3,181,351	\$ 3,160,103	\$ 2,649,484	\$ 2,745,577	\$ 2,117,074	\$ 1,531,791	\$ 607,185	\$ 1,360,521	\$ 1,953,974	\$ 1,181,655
Number of permits	111	121	100	123	99	99	59	64	76	71
Commercial construction value	\$ 7,669,473	\$ 15,095,886	\$ 3,985,871	\$ 13,184,277	\$ 4,716,826	\$ 2,512,070	\$ 3,778,926	\$ 2,008,102	\$ 8,517,064	\$ 7,471,636
Number of permits	71	68	74	66	79	51	55	50	72	68
Public Safety:										
Fire Department:										
Fire Calls	272	263	252	305	275	293	241	319	354	329
First Response Calls	63	68	71	59	78	63	53	52	49	-
EMS										569
Inspections	610	575	580	552	375	410	423	418	414	375
Police Department:										
Calls for Service	6,379	6,001	6,176	6,184	5,685	5,461	10,366	12,201	15,318	14,377
Criminal Arrests	655	450	436	648	668	404	687	680	673	655
Vehicle Stops	3,817	4,541	4,819	5,173	5,449	3,689	2,993	1,743	1,892	1,681
Accidents	357	324	373	327	251	253	385	253	347	601
Public Works:										
Street Paving (miles)	6.13	4.84	12.04	6.34	3.01	4.67	1.86	3.50	3.62	3.76
Solid Waste:										
Refuse Collected (tons)	15,039	20,111	21,433	13,873	14,993	13,047	12,081	10,564	9,417	11,873
Recyclable Collected (tons)	5,719	6,943	7,995	7,958	7,566	7,262	8,125	6,559	6,907	7,259
Municipal Recycling Rate (a)	47.6%	51.1%	51.8%	53.3%	51.3%	52.7%	47.2%	45.4%	49.3%	49.3%

Note: Beginning in July 2014, the Fire Department entered into a co-op with the local ambulance service whereby an ambulance will be housed at the fire station and firefighters (all EMS trained and certified) will go out on ambulance calls.

Table 16, continued

CITY OF PRESQUE ISLE, MAINE
Operating Indicators by Function/Program
Last Ten Fiscal Years

<u>Function</u>	<u>Fiscal Year</u>									
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Airport:										
Enplanements	16,207	16,253	15,866	13,496	13,238	15,204	14,453	12,379	11,555	12,122
Deplanements	16,173	16,852	15,662	13,768	13,151	15,250	14,353	12,048	11,422	12,183
Landing Fees	\$ 28,672	\$ 25,427	\$ 20,303	\$ 46,103	\$ 57,489	\$ 55,355	\$ 55,618	\$ 50,292	\$ 65,199	\$ 154,747
Recreation:										
Library:										
Total materials circulated	111,208	117,315	122,792	130,498	153,969	160,946	96,332	81,899	85,240	75,350
Total materials borrowed	62,134	61,545	61,048	62,608	78,970	85,917	50,220	63,345	64,540	55,005
Total print items in collection	57,689	64,104	60,634	63,560	56,212	55,601	57,366	61,265	52,794	50,500
Total program participants	3,078	4,020	4,591	4,736	5,504	5,197	4,085	5,423	5,226	4,390
Forum:										
Major Events	10	10	15	15	15	15	15	14	14	12
Support for Events	11	15	11	15	12	12	12	11	11	12
Weeks of Ice	22	23	23	23	23	23	23	23	23	22
Parks and Recreation:										
Non-Aquatic Programs:										
Youth Participants	4,664	4,012	4,084	3,878	3,946	5,159	4,443	4,430	4,377	4,531
Adult Participants	1,528	1,322	1,466	1,345	1,389	1,606	1,103	1,147	1,084	1,101
Aquatic Programs:										
Indoor Pool Participants	43,895	40,335	41,179	32,033	25,634	27,278	23,483	21,475	19,630	1,230
Outdoor Pool Participants	5,212	6,635	6,905	5,641	6,570	8,032	5,607	7,460	-	-
Mantle Lake Park Attendance	13,755	10,632	15,195	14,093	12,440	13,025	12,286	12,687	12,441	13,240

Sources: Various City Departments

n/a ---- information not available

(a) Percentages provided by the State Planning Office

Outdoor pool was closed in 2013;

Indoor pool was closed in 2014; swimming lessons continue at the local college pool.