

TOWN OF MILLINOCKET

ANNUAL REPORT OF THE

MUNICIPAL OFFICERS FISCAL

YEAR 2016

(JULY 1, 2015 TO JUNE 30, 2016)



DEDICATION

**E. WAYNE CAMPBELL
TOWN OF MILLINOCKET FIRE CHIEF
1999-2012**

TOWN OF MILLINOCKET

John Davis, Town Manager

197 Penobscot Avenue, Millinocket, Maine 04462

Telephone 207-723-7000 FAX 207-723-7002

E-Mail: manager@millinocketorg Web Site: www.millinocket.org

I am pleased to present to you my second annual report on the condition of the Town for Fiscal Year 2016 (July 1, 2015 to June 30, 2016).

The mill rate for FY16 was \$29.66 per \$1,000 in valuation, compared to 29.60 per \$1,000 in FY15. The driving force for the increase is the assessed value of the mill. The aggressive demolition and auction of the machinery and equipment resulted in a valuation loss of approximately \$44 million in FY16. This loss in taxable value directly resulted in significant budget reductions.

The tax collection rate for FY 16 was 94.20% compared to 77.93% in 2015, 65.60% in 2014, and 78.56% in 2013. The Town continues to deal with a number of other residential properties that continue to default on taxes and sewers invoices owed. Over the past year, the Town has sold 17 tax acquired properties and collected \$71,000. This money was applied against outstanding taxes, sewer fees, and related administrative fees. Some owners of record paid to retain ownership, others were sold in a sealed bid process, and the remaining are being offered to abutters for demolition in an effort to enhance the abutter's property.

The library had a successful year under the management of the Friends of the Library. The Friends have elected a new Board of Directors, hired a librarian, and are hoping to be able to increase the services that the library can offer. The Town will continue to appropriate funds on a sliding scale for the next four years until the new Board gets on solid footing.

A major infrastructure venture should be completed in late October of 2016. The Smith Brook Interceptor Project will replace the sewer line from Bates Street to the Pine Pump Station. This should significantly decrease the inflow and infiltration and prevent the raw sewage overflows that have been occurring in the Smith Brook sewer area.

The Town will be facing many challenges in the upcoming year, and I am looking forward to working with the Council, staff, and residents to meet these challenges head on.

Respectfully Submitted,



John Davis

Millinocket Town Manager

DIRECTORY OF MUNICIPAL OFFICERS AND OFFICIALS

TOWN COUNCIL

Richard Angotti Jr.	2013-2016
Jesse Dumais	2015-2018
Michael Madore	2014-2017
Louis Pelletier	2015-2017
Charles Pray	2015-2016
Gilda Stratton	2014-2017

SCHOOL BOARD

Jeffrey Gordon	2013-2016
Kevin Gregory	2014-2017
Michael Jewers	2013-2016
Margaret Manzo	2014-2017
Warren Steward	2015-2018

TOWN MANAGER

Harold Davis Jr.	2015-Indef
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TREASURER

Mary Alice Cullen	2015-Indef.
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SUPERINTENDENT OF SCHOOLS

Frank Boynton	2014-Indef.
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ASSESSOR

Michael Noble	2002-Indef.
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FIRE CHIEF

Steve Kenyon	2014-Indef
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POLICE CHIEF

Steve Kenyon	2013-Indef
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TAX COLLECTOR

Lorene Cyr	1989-Indef.
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TOWN CLERK

Roxanne Johnson	2003-Indef.
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CODE ENFORCEMENT OFFICER

Michael Noble	2014-2015
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DOG CONSTABLE

Lorri Haskell	2014-Indef
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ELECTRICAL INSPECTOR

Jon Crawford	1996-Indef.
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HEALTH OFFICER

Michael Noble	2015-Indef
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SEALER OF WEIGHTS & MEASURES

State of Maine

GENERAL ASSISTANCE DIRECTOR

Lori Santerre	1997-Indef.
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BOARD OF APPEALS

Michael Jewers	2016-2019
Charles Cirame	2016-2019
Terrance Leavitt	2016-2019
George Martin Jr.	2016-2019

CEMETERY COMMITTEE

Joel Neal Sr.	2012-2017
James Nyman	2012-2017
Linda Campbell	2012-2017
Francis Megno	2012-2017
David Manzo	2016-2021

FAIR HEARING AUTHORITY

BOARD OF ASSESSMENT REVIEW

Charles Cirame	2015-2018
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PERSONNEL APPEALS BOARD

Lisa Arsenault	2012-2015
Anthony Filauro	2012-2015
Esther Gass	2012-2015

PLANNING BOARD

Albert Berube	2011-2016
Charles Cirame	2014-2019
Jon Crawford	2015-2020
Avern Danforth	2015-2020
Anthony Filauro (Chair)	2014-2019
Joseph Clark	2015-2020
Susan Walsh	2015-2020

RECREATION COMMISSION

Debbie Levesque	2015-2018
Jane McGillicuddy	2016-2019
Thomas Malcolm	2014-2017
Richard Rideout	2015-2018
Warren Steward	2015-2018

MILK INSPECTOR

Patrick Welch

1969-Indef.

PUBLIC WORKS DIRECTOR

Ralph Soucier

2011-Indef.

RECREATION DIRECTOR

Frank Clukey

2005-Indef.

WASTEWATER DIRECTOR

James Charette

2001-Indef.

PERSONNEL DIRECTOR

Lori Santerre

1997-Indef.

PLUMBING INSPECTOR

Michael Noble

2002-Indef.

REGISTRAR OF VOTERS

Roxanne Johnson

2015-2017

DIRECTORY OF COMMITTEES AND COMMISSIONS

July 1, 2015 - June 30, 2016

TOWN COUNCILORS

Richard Angotti Jr	723-5947
Jesse Dumais	447-5027
Michael Madore	723-8937
Louis Pelletier	723-5460
Charles Pray	731-4017
Gilda Stratton	723-3110

SCHOOL BOARD

Jeffrey Gordon	447-6888
Kevin Gregory	723-5178
Michael Jewers	723-4193
Margaret Manzo	723-5964
Warren Steward	723-5491

CEMETERY COMMITTEE

Linda Campbell	723-5524
Francis Megno	723-8238
Joel Neal Sr.	723-9049
James Nyman	723-5559
David Manzo	723-9695

BOARD OF ASSESSMENT REVIEW

Charles Cirame	723-8700
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PERSONNEL APPEALS BOARD

Lisa Arsenault	723-9586
Anthony Filauo	723-9401
Esther Gass	723-6206

PLANNING BOARD

Albert Berube	723-8490
Charles Cirame	723-8700
Jon Crawford	723-4836
Avern Danforth	723-9536
Anthony Filauo (chair)	723-9401

BOARD OF APPEALS

Charles Cirame	723-8700
Michael Jewers	723-9627
Terrance Leavitt	723-4740
George Martin Jr.	723-4078

RECREATION COMMISSION

Debbie Levesque	723-9659
Thomas Malcolm	723-4193
Jane McGillicuddy	723-5773
Richard Rideout	723-8497
Ian Shearer (alternate)	723-6399
Warren Steward	723-5491

EMERGENCY**911****POLICE CHIEF**

(NON EMERGENCY)	723-7019
Animal Control Officer (Lorri Haskell)	723-9731

CODE ENFORCEMENT	723-7005
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TOWN MANAGER	723-7000
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TOWN FAX	723-7002
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TAX ASSESSOR	723-7005
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TOWN CLERK	723-7007
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TAX COLLECTOR	723-7006
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PUBLIC WORKS DIRECTOR	723-7030
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RECREATION DIRECTOR	746-3553
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SOLID WASTE DIRECTOR	723-7037
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WASTEWATER DIRECTOR	723-7040
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GENERAL ASSISTANCE	723-7000
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AIRPORT FIXED BASE OPERATOR	723-6649
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SUPERINTENDENT OF SCHOOLS	723-6400
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TREASURER	723-7000
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128th Legislature
Senate of Maine
Senate District 5

Senator James Dill
3 State House Station
Augusta, ME 04333-0003
(207) 287-1515
Jamesdill207@gmail.com

Dear Friends in Millinocket,

Thank you for the opportunity to serve as your state senator. I appreciate the faith you have placed in me and I promise to work hard to represent you in Augusta.

The 127th Legislature was very successful. We extended tax relief for Maine's teachers and homeowners, approved funds to fix our roads and bridges and boost Maine's technology sector, passed sensible welfare reform, and created the Invest in Maine Capital Fund, which will bring more businesses – and jobs – to Maine. We closed a \$15 million school budget shortfall, funded more Maine State Grants to help our kids succeed in college, and expanded Opportunity Maine, our program to help Mainers pay off their student loans.

This year I have once again been assigned to the Agriculture, Conservation and Forestry committee. I'm happy to be serving on this committee and working on your behalf on issues that are important to folks in Penobscot County. These issues include making sure the new limits on opioid prescriptions do not have a harmful impact on those who need to maintain current levels and adjusting school curricula in order to reflect the need for more technology-based skills. These items might be of interest to you as well:

Unclaimed Property: Every year, the Treasurer's Office produces a list of unclaimed property, which consists of money and other personal assets that are considered lost or abandoned when an owner cannot be located after a specified period of time. Visit www.maine.gov/unclaimed or call 1-888-283-2808 to see if you have any unclaimed property.

Honorary Page Program: provides students a unique chance to observe and participate in the legislative process. Students deliver messages, distribute documents, interact with the senators, and take part in a real legislative learning experience. If you know of a student who may be interested, or would like more information, please contact me. It would be my honor to meet with the student and his/her family during the visit to the State House.

Legislative Update: is part of my effort to keep you informed about what happening in the Legislature. This periodic email allows me to share information that is useful and informative to you and our district. Please email me at JamesDill207@gmail.com or call me to sign up.

Feel free to call or email me anytime. I can be reached at home at (207) 364-7666 or at the State House (207) 287-1515. Or email me at Jim.Dill@legislature.maine.gov. I also encourage you to sign up for my legislative updates. Go to <http://www.mainesenate.org/newsletter-signup/> to join my mailing list. I look forward to working with you in 2017!

Sincerely,



Senator James Dill
District 5



HOUSE OF REPRESENTATIVES

2 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0002
(207) 287-1400
TTY: (207) 287-4469

Stephen S. Stanley

614 Pattagumpus Road
Medway, ME 04460
Residence: (207) 746-5371
Cell Phone: (207) 461-4761
Stephen.Stanley@legislature.maine.gov

LETTER TO THE TOWN OF MILLINOCKET

Dear Neighbors:

It is a privilege to serve you in the Maine House of Representatives.

As your voice in Augusta, I will continue to work to create more economic opportunities for the people in the community I serve and to ensure that our schools, hospitals, public infrastructure and natural resources are sustained and protected.

I was honored to be reappointed to the Legislature's Taxation Committee. The committee oversees policy relating to tax matters including: sales, use and excise taxes, the Bureau of Revenue Services, property taxes, tax exemptions and credits, property valuation and assessment and municipal revenue sharing.

As you read this letter, the Legislature will be considering the biennial budget which will guide state spending over the next two years. Crafting the budget can be a difficult endeavor, but, with a bipartisan approach, we can agree on a budget that ensures your government is working for you.

The Legislature will also be considering other important bills focused on addressing the opiate crisis, regulating recreational marijuana, affordable energy, economic development and good-paying jobs. Democrats and Republicans need to work together and keep Maine moving in the right direction.

Please feel free to contact me with any questions or concerns or if you need assistance with state government. I can be reached by email at stanleyss@twc.com or by phone either at home (746-5371) or at the State House (1-800-423-2900).

Once again, I am honored and grateful for the opportunity to serve you.

Sincerely,

A handwritten signature in dark ink, appearing to read "Stephen S. Stanley".

Stephen S. Stanley
State Representative

District 143 East Millinocket, Medway, Millinocket and Patten, plus part of the unorganized territory of North Penobscot (including Herseytown and Long A Townships)

United States Senate

WASHINGTON, DC 20510

COMMITTEES:
ARMED SERVICES
BUDGET
ENERGY AND
NATURAL RESOURCES
INTELLIGENCE
RULES AND ADMINISTRATION

Dear Friends of Millinocket,

Since being sworn into the Senate in 2013, I have made it my mission to address at the federal level the most important issues facing our great state. Working closely with my colleagues in the Maine Congressional Delegation, we've been able to successfully secure a number of legislative victories that support our state's economy, our rich traditions, and the hardworking people I am proud to represent.

In an increasingly polarized Congress, my goal as an Independent is to put partisanship aside, build consensus and further common-sense solutions to address the needs of the American people. To this end, I have co-founded the Former Governors Caucus, a group of former state executives who are frustrated with legislative gridlock and eager to find bipartisan solutions. And as always, I aim to bridge the partisan divide by hosting barbeque dinners in Washington with colleagues ranging from Ted Cruz to Elizabeth Warren. If you know a person's children, then you see them as a mother or father and not a rival vote, and working to further personal dialogue and build relationships can lay the foundation for successful legislation.

One of the accomplishments of which I am most proud is the legislative victory that protects our college students and their families from an expensive hike in student loan interest rates. In 2013, as students faced a significant spike in interest rates that would have taken thousands of dollars out of their pockets, I brought together colleagues from across the political spectrum to broker compromise legislation called the Bipartisan Student Loan Certainty Act. Thanks to this bill, students will save \$50 billion over the next 10 years by lowering their interest rates, which means that a student in Maine will now save between \$3,000 and \$6,000 over the life of their loan.

Being an Independent in the Senate has allowed me to make calls and vote on policies that are best for Maine, but it has also made it possible to play key roles in finding simple solutions and legislative fixes that make good commonsense to both parties. Of course, much of what we do in the Senate doesn't happen on the Senate floor, or even in committee. Instead, it involves working across all levels of government to ensure the State of Maine receives attention and support from the federal government.

Take, for example, the opioid and heroin epidemic devastating communities across our state. While Congress has passed legislative solutions aimed at expanding access to medical treatment, I've also pressed for other changes that can be accomplished more quickly and make a more immediate difference in Maine. For example, I successfully urged the U.S. Department of Health and Human Services to increase the number of patients to whom a doctor can provide medication-assisted treatment, and in 2015 brought the Director of the Office of National Drug Control Policy to Brewer to meet directly with Mainers and hear their stories. I've also engaged law enforcement – including the Drug Enforcement Agency – to crack down on the production of opioids and work to limit their diversion. Together, Senator Collins and I helped pass the Northern Border Security Review Act to combat drug and human trafficking along our border with Canada.

While the opioid epidemic is certainly our biggest public health crisis, job loss in Maine is still our number one economic problem and that's why we need to focus on bringing good paying jobs back to Maine and protecting the ones we still have. As a member of the Armed Services Committee, I teamed up with Senator Collins and Representative Poliquin to successfully secure a provision in the defense bill that can help domestic shoe manufacturers like New Balance. The three of us also worked together with the Department of Commerce to establish an Economic Development Assessment Team, known as an EDAT, to assist Maine's forest industry in the wake of several mill closures. We have an incredible spirit of innovation and ingenuity in Maine and I believe finding ways to invest in that spirit will reignite Maine's forest products sector and our economy. Part of our economic path forward must also include expanding access to high-speed broadband, which can help connect our businesses and communities to information and economic opportunities.

AUGUSTA
4 Gabriel Drive, Suite F1
Augusta, ME 04330
(207) 622-8292

BANGOR
202 Harlow Street, Suite 20350
Bangor, ME 04401
(207) 945-8000

PRESQUE ISLE
169 Academy Street, Suite A
Presque Isle, ME 04769
(207) 764-5124

SCARBOROUGH
383 US Route 1, Suite 1C
Scarborough, ME 04074
(207) 883-1588

ANGUS S. KING, JR.

MAINE

133 HART SENATE OFFICE BUILDING

(202) 224-5344

Website: <http://www.King.Senate.gov>

United States Senate

WASHINGTON, DC 20510

COMMITTEES:
ARMED SERVICES

BUDGET

ENERGY AND
NATURAL RESOURCES

INTELLIGENCE

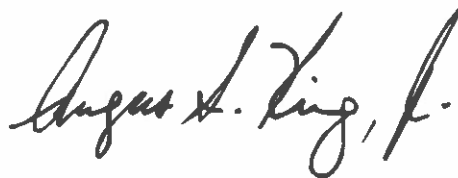
RULES AND ADMINISTRATION

As a member of the Senate Armed Services and Intelligence Committees, I work to keep Maine and our nation safe. Part of that important work means continuing to work for funding for the construction of Navy ships that will be used to protect American interests across the globe. We all know that "Bath Built is Best Built," which is why I've fought to authorize funding for Navy ships built at BIW. The best way to preserve peace is by deterring war through unassailable strength, and to do that we must support our shipbuilders and our brave service members and invest in our military. I strive to meet this solemn responsibly every day as a member of these committees, which is why I hardly ever miss a hearing and take great care in overseeing the agencies sworn to keep us safe. Armed Services Chairman John McCain called me "one of the most serious and hard-working members" of the Committee, and that's a humbling compliment from a true American hero.

As always, please call or write me with thoughts or concerns with matters currently before Congress, or if you need assistance navigating a federal agency. As a public servant, it is critical to me to listen and learn from you, which is why staying connected with people from all over our beautiful state remains a top priority for my work in the Senate. Please call my toll-free line at 1-800-432-1599 or one my offices: Augusta: (207)622-8292, Bangor: (207)945-8000, Presque Isle (207)764-5124, Scarborough (207)883-1588, or Washington, D.C. (202)224-5344. You can also write me on our website at www.king.senate.gov/contact.

It is an honor and a privilege serving the people of Maine in the Senate, and I look forward to working with you in our search for a more perfect Union.

Sincerely,



Angus S. King, Jr.
United States Senator

AUGUSTA
4 Gabriel Drive, Suite F1
Augusta, ME 04330
(207) 622-8292

BANGOR
202 Harlow Street, Suite 20350
Bangor, ME 04401
(207) 945-8000

PRESQUE ISLE
169 Academy Street, Suite A
Presque Isle, ME 04769
(207) 764-5124

SCARBOROUGH
383 US Route 1, Suite 1C
Scarborough, ME 04074
(207) 883-1588

REPORT OF THE TOWN CLERK

The following Vital Records were recorded during Fiscal Year 2015/2016:

BIRTHS TO MILLINOCKET RESIDENTS: 28

In Bangor: 28

DEATHS: 89

Residents in Millinocket: 50
Residents in Augusta: 1
Residents in Bangor: 12
Residents in Caribou: 1
Residents in Dover-Foxcroft: 1
Residents in Ellsworth: 1
Residents in Lincoln: 2
Residents in Milbridge: 1
Residents in Portland: 1

Non-Residents in Millinocket

Appleton: 1
Bangor: 1
Benedicta: 1
East Millinocket: 4
Indian Purchase Twp: 1
Island Falls: 2
Macwahoc Plantation: 1
Mattawamkeag: 1
Medway: 3
Patten: 1
Sherman: 1
Trumbull, CT: 1
Wilmington, DE: 1

MARRIAGES: 15

Residents in Millinocket: 9
Residents in East Millinocket: 1
Residents in Hermon: 1
Residents in Lincoln: 1
Residents in T1R9 WELSP 1

Non-Residents in Millinocket: 1
Non-Residents in Indian Purchase Twp: 1

DOG LICENSES: 467

Dogs: 465

Kennels: 2

MISCELLANEOUS LICENSES: 60

Victualer's: 24

Entertainment: 13

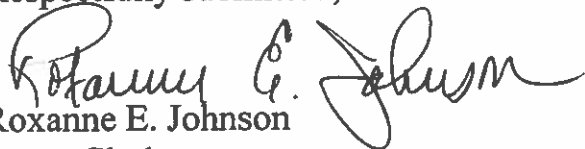
3-Day Peddlers: 3

90-Day Peddlers: 20

License and Registration totals for each month.

	GAME LICENSES	BOAT REGS	ATV REGS	SNOWMOBILE
July	31	125	72	0
August	24	28	24	0
September	32	10	9	0
October	108	0	5	4
November	32	0	2	14
December	332	2	1	158
January	48	8	0	161
February	19	1	7	62
March	16	13	8	10
April	41	100	4	0
May	67	304	50	0
June	25	202	73	0
Totals	775	793	255	409

Respectfully submitted,


Roxanne E. Johnson
Town Clerk

REPORT OF THE REGISTRAR OF VOTERS

Voter enrollments were accepted during regular business hours as well as when the polls were open.

Two elections were held during FY16. The School Budget Validation Referendum Election was held August 4, 2015, the General Election was held November 3, 2015, and the Primary Election was held June 14, 2016 the breakdown as of June 30, 2016 of the total number of Registered Voters for the Town of Millinocket and the Unorganized Territories is as follows:

RESIDENTS OF:	<u>TOWN OF MILLINOCKET</u>	<u>UNORGANIZED TOWNSHIPS</u>
Democratic Party	1192	86
Republican Party	705	64
Green Independent	62	0
Un-enrolled Voters	1139	126
<hr/>	<hr/>	<hr/>
Total Registered Voters	3116	276

Respectfully submitted,


Roxanne E. Johnson
Town Clerk

REPORT OF THE TAX COLLECTOR
JULY 1, 2015 THRU JUNE 30, 2016

<u>COMMITTED</u>	<u>SUPPLEMENTS</u>	<u>COLLECTIONS</u>	<u>ABATEMENTS</u>	<u>UNCOLLECTED BALANCE</u>
5,235,774.00	4,437.14	7,892,115.74	28,299.36	300,700.94

The total commitment for fiscal year 2016 is \$8,221,116.04.

Cost and interest collected was \$48,155.06.

96% of the taxes were collected at fiscal year end.

Motor vehicle and boat excise tax collected for 07/01/2010 thru 06/30/11 were as follows:

<u>Motor Vehicle</u>	<u>Boats</u>
\$679,552.79	\$7,271.60

Respectfully Submitted,

Lorene A. Cyr

Lorene A. Cyr
Tax Collector

2016 REAL ESTATE TAXES UNPAID AS OF 06/30/2016

57 PENOBSCOT AVE. INC	430.07 *	COTE, STEPHEN H	619.89
57 PENOBSCOT AVE. INC	8,126.84 *	COTE STEPHEN H	338.12
AFRIDI, ASAD KHAN	702.94	COTE, WALTER	610.43 *
ALLEY, LINDA G	354.42	COTE, WALTER JR	830.04 *
AULETTA, RAYMOND	15.86	COTREAU, FRED J	0.74
BACON, ERWIN J	3.83 *	CNTRYWIDE HOME LOANS	1,824.09
BAILEY, GLENDON S	521.82 *	CUMMINGS, GREGORY J	527.95
BAKER, MONICA L	1,328.77	CUMMINGS, JUSTIN S	1,832.99
BAKER, RUSSELL V JR	735.57	CVD LLC	1,328.77 *
BALL, DEBBIE	0.81 *	CYE, HOLLY M	1,447.41
BALLARD, CHRISTINA	1,432.58	DAIGLE, TERRENCE	0.46 *
BARNETT, LYNN	554.64	D'ANGELO, CLEMENT	1,420.42
BARR, BENJAMIN W JR	699.98 *	DAVIS, DEREK C	1,263.52
BENSON, JOHN C	218.68	DAY, DALE	1,204.20 *
BIANCO, LISA	136.44	DIBONA, MICHAEL	3,651.15 *
BLANCHETTE, DAWN MARIE	1,061.83	DICKER, DONALD	258.04 *
BLAUTH, PETER J	972.85	DIFREDERICO, LOUIS R	972.85
BODDY RICHARD G	2,091.03	DONLEY, ELIZABETH	1.49 *
BOLDUC, NATHAN	1,135.54	DONLEY, PAUL F	1,619.44 *
BOONE, NEAL	225.42	DOYLE, ETHEL M	567.99
BOSSIE, LEO J	309.29 *	DOYLE, JOAN M	1,186.40 *
BOUCHARD, KEITH	682.18	DUVAL, HELENE M	447.87 *
BOUCHARD, RONALD	1,414.78	DUVAL, ROBERT P	1,296.14
BOYINGTON, WILLIAM R	1,067.76	DUVAL, ROBERT P	741.50 *
BOYNTON, ROBERT W.	1,147.84	DUVAL, ROBERT P	545.74 *
BOZEMAN, JIMMIE M	709.02 *	DUVAL, ROBERT P	1,518.59 *
BRAGDON PETROLEUM	2,286.79	DYER, WILLIAM E	1,174.53 *
BROCHU, RICHARD A	18.54 *	EURICH, W C LLC	1,127.08
BROOKER, AARON D	1,022.76	FAILLE, JAMES	797.85
BROSNAN, TERENCE B	904.63	FAUTECK, SAMUEL	866.07
BULLEY, JEAN M	1.47 *	FEDERAL MORTG. ASSO.	7.51 *
BULLEY, JERRY	888.55 *	FERLAND, JAMES & D DICENTE	1,361.39
BURKE, WILLIAM P III	877.94 *	FLANDERS, JAMES J	637.69 *
C/O DUVAL, ROBERT	421.17 *	FOSTER, DANA	554.38 *
C/O GALLANT, MICHAEL	4.32 *	FREEMAN, ELIZABETH	83.05
C/O GORHAM, MURRAY	1,494.86	FREEMAN, ELIZABETH	1,061.20
CALHOUN, MATTHEW J	347.81 *	FREEMAN, ELIZABETH	1,256.66
CAMERON, CATHERINE L HEI	1,287.24 *	GAGNON, ARNOLD & P WARK	0.09
CAMPBELL, MARION H	2,096.96 *	GALLAGHER, WILLIAM B	3.32
CARNEY, PAUL	463.02	GARAND, DONALD R JR	578.37
CARR, VALERIE A	1,281.31	GELINAS, RONALD	489.59 *
CARRIER, RYAN	0.40 *	GELINAS, RONALD	886.83
CHARRETTE, DAVID R	1,265.31	GEORGE, ERIC E	1,921.97
CK LLC	5.06 *	GHIGLIERI, NATE	1,349.90
COLE, BRENT J	1,192.33	GILBERT, JOANN	980.67
COMBS, WILLIAM E	400.61	GILMAN, ARTHUR FRANK JR	646.59
COTE, RODERICK H	676.25	GILMAN, BAMBI M	825.43 *

GLOBAL PREMIERE ASSET SV	247.10 *	HIGGINS, MELANIE JOY	1,208.15
GILMAN, BAMBI M	825.43	HOMETOWN COMM. CORP	648.07 *
GLOBAL PREMIERE ASSET SV	247.10	HOMETOWN COMM. CORP	1,147.84 *
GNP HOLDING II LLC	691.08	HUGHES, PAULA A	916.16 *
GNP HOLDING II LLC	32.63	HUGHES, THOMAS JR & ANN	1,649.10
GNP HOLDING II LLC	827.51	INGERSOLL, DARCY	112.05
GNP HOLDING II LLC	225.42	IPPOLITTI, JOAN G	1.37
GNP HOLDING II LLC	213.55	ISAAC, PAMELA D	838.25
GNP HOLDING II LLC	94.91	JACKSON, NATHANIEL	344.05
GNP HOLDING II LLC	145.33	JAMO, LAURIE	498.29
GNP HOLDING II LLC	1,058.86	JASPER, CINDE L	812.68
GNP HOLDING II LLC	344.06	JASPER, WILLIAM	1,610.54
GNP HOLDING II LLC	27,732.10	JONES, JEFFREY W	0.24 *
GNP HOLDING II LLC	124.57	JONES, VAUGHN HEIRS	1,325.80 *
GNP HOLDING II LLC	367.78	K & M MOTORS INC	0.12
GNP WEST INC	6,833.66	K & M MOTORS INC	1.86 *
GNP WEST INC	29.66	K & M MOTORS INC	0.08
GNP WEST INC	2,891.85	KERWOCK, PENNY D	824.55
GNP WEST INC	880.90	KINNEY, COREY D	4.59
GNP WEST INC	172.03	KIPULU, TORRI MARIE	1,044.03 *
GNP WEST INC	80.08	KITTRICK, NORA	616.56 *
GNP WEST INC	77.12	KNOPF, MARK S	912.28
GNP WEST INC	44.49	KUNKEL, KENNETH MARTIN	463.27
GNP WEST INC	83.05	LAMBERT, TIMOTHY J	470.11 *
GNP WEST INC	26.69	LAMM, RHONDA	976.49 *
GNP WEST INC	261.01	LANDRY, JEANNOT A	608.03
GONYA, JOHN	1,147.84	LAPIERRE, PATRICK P	1.86 *
GOODWIN, JACOB	1,800.36	LAPLANTE, GARY	85.21 *
GRAY, RICHARD ALLEN	978.78 *	LAPLANTE, JOHN F	0.64
GRAY, ROBERT	791.92 *	LARRABEE, LEWIS P III	1,058.86 *
GUREWICZ, EUGENE A	1,308.01	LAVOIE, GEORGE C	385.04 *
HALE, JOHN S	92.07	LAVOIE, JOSEPH O JR	791.92 *
HANSON, BENJAMIN	708.87	LEBLOND, KEVIN K	380.79
HARBOUR HIGH YIELD FUND	1,005.47	LEE, MICHAEL	72.07
HARMON, RICHARD	759.29	LEET, TERRY M SR	1,453.34
HARMON, RICHARD	355.92	LEIGHTON, BRETT	1,058.43
HARMON, RICHARD	499.77 *	LEINO, VALERIE R	1,283.14
HARMON, RICHARD	284.73 *	LEONARD, KENNETH D	959.27 *
HARMON, RICHARD	565.02 *	LEVASSEUR, CODY	222.45
HARTLEY, CLINTON R	63.83 *	LEVESQUE, PETER M	0.20
HARTLEY, JASON C	845.31 *	LYONS, KURT W	1,577.91 *
HARTLEY, LANCE	622.86	M & L PROPERTIES	1,130.05 *
HARTLEY, MADELINE M	729.64	M & L PROPERTIES	1,278.35
HAYES, DALE F JR	940.22	M & L PROPERTIES	1,079.62 *
HEALEY JODI L	978.78 *	MACKIN, JAMIE T	345.66 *
HERRING, JAMIE	0.24 *	MACKIN, JOHN E	587.27
HERSEY, KRIS	320.33	MAGLIARDITI, JOSEPH W	774.12
HEWES, MARY J	1,079.62	MANZO, DENNIS P	1,000.52

MANZO, EUGENE A III	1,388.09	PELLETIER, GEORGE A	444.90 *
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MANZO, FRANKLIN R JR	1,162.67	PETERS, ANDREW L SR	783.02 *
MARBLE, JOHN ADDISON	922.43	PETERS, VICTOR N	1429.61
MARINO, RONALD J	646.59	PINDER, JANE	0.74
MASKELL, JOSEPH SR	1,640.20	PINEAU RICKY	955.05
MASTEN, FRANK	1,471.14	PINETTE, JOANNE C	1.15
MATTHEWS, ADDISON G III	1,162.67	PLANTE, JOSEPH G	1,485.97
MATTHEWS, ADDISON G III	370.82	PLOURDE, JOHN	972.85
MCDONNELL, HELEN W EST	711.79	PLOURDE, THOMAS H	339.38 *
MCGOWAN, CATHY ANN	406.34	PORTER, ORACE N	0.19
MCINNIS, DONALD E JR	881.55	POTVIN, JERRY L	800.22
MCLAUGHLIN, JOHN A	1,097.42	PRINCETON COMM, HOLDINGS	6,228.60
MELLO, SUSAN	1,462.24	QUINN, RICHARD	1,975.36
MICHAUD, BRANDIE L	141.03 *	RAYMOND, ROBERT C	224.53
MICHAUD, MARC & DIANE	1,402.92 *	REED, DANIEL W	1,546.77 *
MOIR, WANETA	1.37	REED, GWENDOLYN GAYLE	585.78 *
MORGAN, CURTIS, GAIL	365.42 *	RESIDENTIAL PROPERTIES	1,515.63 *
MORNEAULT, MARIO	809.58	RHINO PROP, DEVELOPMENT	65.25
MORRISON, CATHY	886.83	RHINO PROP, DEVELOPMENT	1,227.92
MORRISON, DONNA I	427.10	RIDENOUR, CHARLES	949.12
MORRISON, JANE M	155.71	ROBINSON, BRENDA A	238.18 *
MORRISON, ROBERT J JR	1,310.97	ROBINSON, WALTER T JR	8.76
MORRISON, STANLEY J	493.83	ROGAN, TERRENCE C	200.00
MORROW, CLINTON D	216.52	ROGERS, CARYN L	1,141.12
MORROW, CLINT D	323.19	ROGERSON, SHERRI A	1.12
MORROW, RYAN	602.10	ROSS, BRIAN A	1,082.59 *
MORROW, YVONNE M	493.56	RUSH, F W & SONS INC	1,767.74
MOSCONE, MICHAEL W	373.25	RUSH, F W & SONS INC	392.61
MOSCONE, PETER C	3.48	RUSH, JEFFREY	1,085.56 *
MOSCONE, TIMOTHY	0.08	RUSSELL, CHARLEEN	2.65 *
MOSCONE, TIMOTHY	0.13	RYAN, THOMAS C	1,091.49
MURRAY, THERESA	1,210.13 *	SCHMID, MICHAEL P	1,539.35
NADEAU, LIONEL D	1,026.24	SCHOFIELD, JOANNE	8.77 *
NASSCOND INC	1,275.38 *	SEAMANS, DENNIS J	1,150.39
NICE, GARY L	686.11 *	SEGEE, MERRILL D	1,500.80 *
NICHOLSON, STEPHEN N	1,049.96 *	SENSIBLE SOLUTIONS INC	1,948.66 *
NOYES, STEPHEN	8.08 *	SERBANOS, JAMES	1,085.56
NUTTING, BRIAN A	1,266.18 *	SHAW, GLORIA J	272.87
NUTTING, JENNIFER	677.73	SHAW, ROSALIE A	1.46
OKANE, PATRICK	1,524.52	SHAW, STEPHEN	880.90
OSBORNE, ADRIANA M	877.94	SIROIS, NELSON J	1,414.78 *
PAHILAN, ABE & MARIA	2,064.34	SMITH, DENNIS WILLIAM	664.38
PARK, MICHELLE	1,248.69 *	SMITH, DENNIS WILLIAM	2,188.91
PARKER, RICHARD J	444.90 *	SMITH, DENNIS WILLIAM	827.51
PARKER, TERRI	1,076.66 *	SNIDER, JOHN W	1,168.60 *
PELKEY, MAYNARD	981.75	SPECIALTY MINERALS INC	11,336.05
PELKEY, PETER	115.67	SPINGEL, JASON	744.60
PELLETIER, GEORGE	398.92 *	STANLEY, DUSTIN	1,764.77
PELLETIER, GEORGE	26.69 *	STAPLES, CORY	578.37
STAVROU, JOHANNA	1,380.18	VINZCE, MELONE	0.01
STEARNS ASST. HOUSING	8,241.92	WARD, JUDITH A	\$1,319.87

STEVENS, DALE A	529.43
STODDARD, EUGENE JR	391.51
TAPLEY, ALANA J	1,023.27 *
THERIAULT, DENNIS	583.59 *
THOMPSON, GENE A	1,219.03
THORNTON BROS INC	0.43 *
TIBBITTS, DAVID	516.08
VAZNIS, ROBERT L	815.90
VAZNIS, ROBERT L JR	218.98 *
VIGUE, KRIS L	1,014.37

WEYMOUTH, ROSANNE G	993.61 *
WHEATON, PERLEY E	1,921.97
WILEY, JOHN F	878.25 *
WILLARD, WALTER T	0.33
WILSON, CHARLES	1,130.05
WILSON, RICHARD	1.10
WILSON, TERRANCE	444.90 *
WINSLOW, MICHAEL D	3.98
WT HOLDINGS LLC	1,542.32
YORK, ANTHONY	513.14 *

2015 TAX LIENS UNPAID AS OF 06/30/2016

57 PENOBSCOT AVE. INC	159.87 *	GNP WEST INC	2,886.00
AFRIDI, ASAD KHAN	701.52	GNP WEST INC	879.12
BACON, SYBIL	9.42 *	GNP WEST INC	171.68
BAKER, RUSSELL V JR	734.08	GNP WEST INC	79.92
BALLARD, CHRISTINA	1,429.68	GNP WEST INC	79.96
BARNET, LYNN	553.52 *	GNP WEST INC	44.40
BIANCO, LISA	136.16	GNP WEST INC	82.88
BILBO, ALBERT	1,657.60	GNP WEST INC	26.64
BLAUTH, PETER J	970.88	GNP WEST INC	260.48
BODDY RICHARD G	2,086.80	HALLSTROM, CLIFTON E	238.36 *
BOYER, JOHN	742.96	HANSON, BENJAMIN	707.44
BOYINGTON, WILLIAM R	1,065.60	HARBOUR HIGH YIELD FUND	1,003.44
BOYNTON, MARK A SR	1,820.40	HARMON, RICHARD	355.20
BOYNTON, ROBERT W.	766.90	HARTLEY, JASON C	843.60 *
BRAGDON PETEOLEUM	2,282.16	HARTLEY, LANCE	621.60
BRAGDON, RALPH E	2,557.44	HEALEY, JODI L	976.80
BROSNAN, TERENCE B	41.10 *	HEWES, MARY J	1,077.44
CARR, VALERIE A	991.80	HOMETOWN COMM. DEVELO	1,445.52
COTE, WALTER JR	228.53 *	JASPER, CINDI L	43.79 *
CUMMINGS, GREGORY J	526.88	JASPER, WILLIAM	1,489.86
CUMMINGS, JUSTIN S	1,071.47 *	JONES, VAUGHN HEIRS	1,323.12
DAVIS, DEREK C	852.87	KELLKONEN LLC	1,326.08 *
DIBONA, MICHAEL	202.52 *	KERWOCK, PENNY D	822.88
DIFREDERICO, LOUIS	561.40	LANBERG, MICHAEL A	950.16
DONLEY, PAUL F	1,611.98 *	LANDRY, JEANNOT A	950.16 *
DOYLE, JOAN	1,184.00 *	LYONS, KURT W	95.58 *
DUBY, LINDA	692.64 *	LARRABEE, LEWIS P III	1,056.72
EURICH, WC LLC	1,124.80	LAVOIE, JOSEPH O JR	265.51 *
FAILLE, JAMES	796.24	LYONS, KURT W	1,574.72
FAUTECK, SAMUEL	864.32	M & L PROPERTIES LLC	539.35
FEDERAL NATIONAL MORT.	1,796.72	M & L PROPERTIES LLC	694.60
FERLAND, JAMES	1,357.24	M & L PROPERTIES LLC	487.55
GARAND, DONALD R JR	577.20	MANZO, EUGENE A III	1,385.28
GELINAS, RONALD	302.85	MARINO, RONALD J	645.28
GNP HOLDINGS II LLC	689.68	MASTIN, FRANK	1,468.16
GNP HOLDINGS II LLC	6,852.40	MORRISON, ROBERT J JR	1,308.32
GNP HOLDINGS II LLC	32.56	MORROW, RYAN	600.88
GNP HOLDINGS II LLC	825.84	NADEAU, LIONEL D	303.68
GNP HOLDINGS II LLC	224.96	NASSCOND INC	1,272.80
GNP HOLDINGS II LLC	213.12	OKANE, PATRICK	1,308.62
GNP HOLDINGS II LLC	94.72	OSBORNE, ARIANA M	438.08
GNP HOLDINGS II LLC	145.04	PAHILAN, ABE N	2,060.16 *
GNP HOLDINGS II LLC	1,056.72	PARK, MICHELLE	48.13 *
GNP HOLDINGS II LLC	343.36	PARKER, RICHARD J	409.30
GNP HOLDINGS II LLC	44,254.96	PARKER, TERRI	1,074.48 *
GNP HOLDINGS II LLC	124.32	PELKEY, MAYNARD	510.65
GNP HOLDINGS II LLC	367.04	PETERS, ANDREW	781.44 *
GNP WEST INC	6,819.84 *	PINEAU, RICKY	451.49 *
GNP WEST INC	29.60	PLANTE, JOSEPH G	1,482.96

PLOURDE, JOHN	570.42
PRINCETON COMM. HOLDING	6,216.00
RESIDENTIAL PROP. RESOUR	1,512.56
RHINO PROPERTY DEVELOP	65.12
RHINO PROPERTY DEVELOP	1,225.44
RIDENOUR, CHARLES	947.20
RUSH FW & SONS INC	1,764.16
RUSH FW & SONS INC	381.84
RYAN, THOMAS C	1,089.28
SECRETARY OF HUD	1,041.71
SENSIBLE SOLUTIONS INC	1,944.72
SERBANOS, JAMES	300.72

SMITH, DENNIS WILLIAM	484.58
SMITH, DENNIS WILLIAM	1,060.83
SMITH, DENNIS WILLIAM	426.15
SPECIALTY MINERALS INC	37,713.36
TAPLEY, DANIEL W	510.60 *
TOWN OF MILLINOCKET	1,536.24 *
WARD, JUDITH A	1,317.20
WEYMOUTH, ROSANNE G	784.69 *
WILSON, ROSE & ROLAND	343.25
WILSON, TERRANCE	444.00 *
W T HOLDINGS LLC	1,539.20

* PAID AFTER 06/30/2016

2016 PERSONAL PROPERTY UNPAID AS OF 06/30/2016

AUTOMATIC VENDING & GAME	103.81
DUVAL, ROBERT	29.66
ED CYR & SON INC.	216.52
HILLCREST GOLF CLUB INC	627.31
LAMSON REALTY LLC	2,203.74
LAX, RICK	151.27
MCMANUS, CONNIE	20.76
MISIURA, PETER	124.57
PELLETIER, GEORGE	400.41
THREE RIVERS HOLDINGS LLC	1,325.80
WINDWARD PETROLEUM INC	412.27

***PAID AFTER 06/30/2016**

MILLINOCKET POLICE DEPARTMENT

197 PENOBSCOT AVENUE

MILLINOCKET, MAINE 04462

FY 2016 Annual Report

Chief Steven J. Kenyon

During fiscal year 2016 (July 1, 2015 thru June 30, 2016) the Millinocket Police Department handled 4,588 incidents, made 94 adult arrests, issued 50 adult summons, made 30 warrant arrests, and made 14 juvenile arrests. The department also handled 73 reportable motor vehicle traffic accidents and as part of our community service we were involved with 191 ambulance and fire call assists, 288 agency assists, 129 citizen assists, and 231 welfare checks.

Some of the more common complaints that were handled this year were:

- Suspicious persons/circumstances – 109
- Harassment – 81
- Fraud – 68 *up 34% from last year*
- Erratic Vehicle Complaint – 72
- Trespassing – 60
- Disorderly Conduct – 54
- Noise Problem – 45
- Family Fight – 43
- Juvenile Problem – 42
- Criminal Mischief – 40
- Civil Disputes - 39
- Simple Assaults - 27
- Suicide attempts/threats – 16

Traffic citations issued - 70

Traffic warnings issued - 676

Officer Shawn Smith was hired in August to fill an open position. That brought the department total to five officers with four on fixed 12 hour schedules and one working a flexible shift. The flex position is utilized to help reduce overtime costs by filling open shifts due to vacations, paid time off, and sick time. The flex position is also utilized to double up on week day and weekend nights when available.

We had two significant purchases this year; in May 2016 we were able to purchase a new all-wheel drive Ford Interceptor SUV to replace a 2011 Crown Victoria that had approximately 135,000 miles on it. In July 2015 the department's old body armor, which the five year warrantee was about to expire, was replaced with new body armor.

During this fiscal year our Animal Control Officer (ACO) responded to 212 animal calls issuing a number of summonses for dogs on the loose, failure to register dogs, and barking dogs. This year was a busy year for dog bite issues with 7 dog bites in a two week stretch. This places a significant burden on the ACO as these animals have to be quarantined until it is determined there is no chance of the animal having rabies.

Dare Officer Kevin Ingersol instructed the Granite Street School fifth grade class from January to May and graduated 46 students from the Dare program in 2015. This year we applied for a Gloria McKenzie grant to fund the training of a new DARE instructor and expense monies to operate the program for the next two years. We advanced through the first round but unfortunately were rejected in the second round.

Grants applied for and received were:

1. 2015 Fall ATV grant - \$1,230
2. 2016 Spring/Summer ATV Grant - \$2,500
3. Byrne Jag Grant - \$888.00

Respectfully Submitted,


Chief Steven Kenyon

MILLINOCKET FIRE & RESCUE

222 Aroostook Ave

MILLINOCKET, MAINE 04462

FY 2016 Annual Report

Chief Steven J. Kenyon

During fiscal year 2016 (July 1, 2015 thru June 30, 2016) the Millinocket Fire & Rescue Department handled 962 EMS calls along with 56 Fire calls. EMS continues to have a run rate of close to 1000 calls per year even though the population is declining. The EMS call demographics show that 76.4% of our calls deal with people over the age of 55 with the average patient age being 66. We also continue to contractually support and respond to the surrounding unorganized territories of Penobscot and Piscataquis counties. This year we responded to 14 calls in the unorganized territories, 5 for Piscataquis and 9 for Penobscot County.

Of the 962 EMS calls 547 were ALS level, 185 were BLS level, 27 Specialty Care, and 22 PIFT transfers. We also had 215 Inter-facility transfers along with 4 intercepts.

Of the 56 fire calls, we had four structure fires and one chimney fire. Other calls included 11 public assists, five CO2 calls, four grass/wood fires, four rescue calls, and seven building alarms.

During this fiscal year the ambulance service received \$371,498 in revenue from billings of \$675,141.

Apparatus:

We continued with our maintenance programs for fire trucks, our 2002 KME Pumper and our 2011 Metal Fab pumper. Both units are in very good condition, have completed their annual pump testing and meet all UL inspection requirements.

This year we maintained the ambulance fleet of three vehicles with no new replacements. Current units include: 2014 Chevrolet E-450 Rebox, 2009 Ford E-450, and a 2007 Ford E-450.

Personnel:

Due to town budgetary issues the Fire Department was required to reduce its staff again this year by one person going from seven to six EMT/Firefighters. Our current staff consists of a shared Chief and six EMS/Fire personnel of whom two are paramedics, two intermediates, and two basic level officers. Four of these EMT/Firefighters work a 24 hour shift with one working a flex shift during peak call times. The Deputy Chief works days and fills in during vacation and PTO days.

Training:

We continue with the regional fire department trainings in an effort to combine resources while offering alternate training programs to all involved. This year we held a regional training event in October at 67 Poplar St. in Millinocket, a home owned by the town. Fire department personnel attended from Millinocket, East Millinocket and Medway Fire. Training included 1st & 2nd floor hose advance, 1st & 2nd floor search and rescue, window rescue, ladder usage, and chimney tools/cleaning.

Facilities:

This year our Town Office/Fire Department emergency generator required replacement of its water pump as it had begun to fail; we were able to save cost by replacing the generator pump with the help of personnel from the Wastewater Treatment Department. I would like to thank them and all who continue to support our department.

Respectfully Submitted,
Chief Steven Kenyon



**TOWN OF MILLINOCKET
PUBLIC WORKS DEPARTMENT
20 Cedar Street
Millinocket, Maine**

Tel. (207)723-7030 Fax (207)723-7029

E-Mail: publicworks@millinocket.org Web Site: www.millinocket.org

September 28, 2016

To the Citizens of Millinocket:

I would like to thank the citizens of Millinocket for their cooperation while my departments worked to serve their needs. I recognize the inconvenience we create in the roadway while doing line painting, storm drain, and sewer line repair work. We truly try to minimize any confusion.

The Public Works Department was kept busy this year with mowing and trimming roadside, parks, and many other areas around town including the Airport. The department also repaired many deteriorated storm drain basins, flushed sewer lines, replaced culverts, and kept up with equipment maintenance. I would like to thank the crew for their huge undertaking rebuilding equipment and taking care of what we have which helps the financial situation instead of just buying new equipment.

The final paving quote this year came 30% lower than last year. We were able to pave York, Summer, Aroostook, and a section of Central Street, several sidewalks around the schools and downtown area. Also this year we started replacing damaged curbing. Tree belts were refurbished where new curbing was installed.

The Solid Waste and Recycling Facility crew were very busy with a majority of the residence separating out of their trash recyclables and other special waste items. Thank you for participating in recycling because this truly does reduce the disposal costs. The last load of Cardboard the transfer station shipped made the Town \$1900 dollars. That same cardboard thrown in the compactor would have cost the Town \$1900 to haul it away for disposal.

The Town's Cemetery was busy this past season with approximately 70 burials. Revenue has been strong and balances out the operating costs. We were able to apply Grub Control and Fertilizer this past spring which has make a big difference in the grass appearance, all though this summer has been extremely dry with little rain. Also the composition of the soil in the Millinocket Cemetery is all sand which is great for Grubs to lay their eggs in. I have talked to other Towns who have the same issue.

The Millinocket Municipal Airport has held off on any Airport Improvement projects the last couple of years due to the budget crunch. We have found a grant last year which is sponsored by the Maine DOT in Augusta to Crack Seal the Runways which has not been done since 2004. This grant did not cost the Town any matching funds. We had another successful Truck Pull this year and will have the 10th Fly-In in October which also has been very successful and draws people to the area.

I would like to thank all of the members of my four departments, for the job they do all year long. Without them, this work would not be completed for our community.

For further information please refer to the Town's Web Site at www.millinocket.org

Respectfully,

Ralph Soucier, Director of Public Works

RECREATION DEPARTMENT
East Millinocket , Medway, Millinocket, Woodville
53 Main St., East Millinocket, Maine 04430
(207) 746-3553

Dear Residents,

The 2016 season was very successful. Our summer was very busy with arts and crafts, summer lunches and the pool. The pool was very busy this past summer, we averaged around 65 swimmers per day. We had two playground trips, one to the movies and the other to the water park in Trenton.

Along with our regular programs, with the help of volunteers we added a youth field hockey program this fall. Field hockey, Flag Football, Little Giant Football, Youth Soccer, Softball and Little League are very well attended by all three communities. We want to thank all of the individuals who have volunteered for us; they donate countless hours and without these wonderful people we would not be able to accomplish what we do. The Recreation Commission has contributed many hours of their time, and has been a considerable help. It is our goal to keep the Recreation Department as a vital part of the Katahdin Region. We are looking forward to a strong 2017 season and as always appreciate your support.

Sincerely Yours,



Jody Nelson

Director of Recreation

Code Enforcement Assessing Annual Report FY 16

Michael F. Noble CEO, CMA

Code Enforcement

Permit Activity:

Once again this years building activity closely reflected that of last year. The majority of the building permits were for accessory structures (decks, sheds garages, etc.) Demolition permits have become more and more prevalent as our housing stock is reduced to meet our population base.

Permits Issued 2015:

Type	Number Issued
Principal Structure	1
Accessory Structure	14
Electrical	14
Fence	9
Sign	4
Demo	16
Other	19
Totals	77

Assessing

As we continue to face a declining tax base difficult times are apparent in the budget process. Housing values remain consistent we simply lack the benefit of new construction to supplement the depleting tax base. The Homestead Exemption increase places additional burden on municipal budgets further depleting the tax base. Valuation base for this year was down over \$35,000,000 The mil rate was set at \$29.66 per thousand.

Valuation at a Glance:

Valuations as of 04/01/2015	
<i>Real Estate</i>	
Land	\$34,725,700
Buildings	\$98,251,800
Total	\$132,977,500
<i>Personal Property</i>	
Machinery & Equip.	\$36,564,300
Furniture & Fixture	\$2,284,100
Other	\$4,700,500
Total	\$43,548,900
Grand Total	\$176,526,400

Training:

This year's Code Enforcement training was very sparse, the training program offered by the State has diminished significantly from years past with very little training offered in this area. Going forward it appears online training or extended travel may be required. I also attended the annual Tax School, this year held in Belfast. All of the training that I attend is required to maintain my Assessing and Code Enforcement certification.

Respectfully Submitted,



Michael F. Noble

Assessor, CEO, LPI,
Health Officer

GENERAL ASSISTANCE

NOTE/STATEMENT **

- The General Assistance Program is an emergency service administered by the Town. The program is to provide aid to eligible persons who are unable to provide the basic necessities essential to maintaining themselves and their families. The requirements of the program are eligibility standards and levels of assistance pursuant to applicable State of Maine statutes, and the Town of Millinocket General Assistance Ordinance as ordered by the Town Council. The General Assistance program is reimbursed by the State of Maine at 70% for its expenditures. The program is confidential therefore aggregate numbers are used.

In fiscal year 2015-2016, \$26,800 was appropriated for General Assistance, \$20,666.02 was expended and \$14,466.36 was received in reimbursement from the State of Maine.

In fiscal year 2015- 2016, the General Assistance Program financially assisting 48 households. These households consisted of 54 individuals. The number of appointments for 2015-2016 was 60.

Aspire, a state run program, has assisted in helping individuals become employed and more self sufficient. The program requires TANF clients, to work as a volunteer in their community a certain amount of hours as an eligibility requirement for their TANF checks. This has increased the amount of people actually going out and becoming employed, which will help decreased their need for General Assistance. This office continues to assist individuals in applying for Social Security, Temporary Aid to Needy Families, Women Infants Children Program, Fuel Assistance Program, Food Stamps, Rent/Tax Rebate Forms and other programs. The office has a Workfare program, which is an eligibility requirement for applicants to receive General Assistance. Applicants are assigned to work at one of the Towns Department sites.

**The Millinocket Public Welfare Department's goal is to help more clients to become self sufficient, therefore decreasing the need for public assistance.

Respectfully Submitted,


Lori A. Santerre
Welfare Director

PERSONNEL OFFICE

NOTE/STATEMENT**

The Personnel Office oversees monitors and participates in the application and employment process for all Town of Millinocket personnel. The Personnel officer also implements and review's the Affirmative Action Plan of the Town and other duties as designated by the Town Manager.

The office is responsible for updating all job descriptions annually and preparation of all advertisements for positions within the Town of Millinocket. Screening of applications, scheduling and administration of all testing used in the selection process. Participation in interviews with appropriate department heads assist in the determination of the best-qualified applicant according to the criteria set forth.

Personnel is responsible for all personnel records and prepares monthly reports of vacations, personal time off and sick leave taken. Participates in the Grievance Procedure as outline in Personnel Policy. Responsible for preparation and presentation of annual budget.

Daily written and oral communication with Maine State Retirement System, Maine Municipal Employee Health Trust, Workers' Compensation, Unum, Vendors, Community Service Organization and Town employees to inquiry or to retrieve information essential to the Town of Millinocket or its employee's.

****The Personnel Offices goal is to continue to service the employee's and correspondence in a courteous and efficient manner.**

Respectfully, Submitted,

A handwritten signature in cursive script, appearing to read "Lori A. Santerre".

Lori A. Santerre
Personnel Director



Annual Report
MILLINOCKET
WASTEWATER TREATMENT FACILITY
2015-2016

To The Rate Payers of Millinocket:

In the past year, the Wastewater Treatment Facility collected and effectively treated 305,100,000 gallons of wastewater. Removal rates of 90 percent for BOD (Biochemical Oxygen Demand) and 93 percent for TSS (Total Suspended Solids) were achieved.

In this past year, the focus was on the Smith Brook Interceptor project. Final design work was completed along with obtaining funding for the project. This project will replace old clay sewer piping that is very deteriorated and leaking. The project was expected to start in July of 2016.

The Wastewater Treatment Facility continues to provide adequate treatment for our community's sewerage. The percentage of removal at the treatment facility continues to show the dedication of the three person staff along with their commitment of excellence in the preservation of our waterways.

Respectfully Submitted,

James R Charette
Chief Operator, Millinocket Wastewater Treatment Facility

TOWN OF MILLINOCKET, MAINE

Annual Financial Report

For the Year Ended June 30, 2015

TOWN OF MILLINOCKET, MAINE
Annual Financial Report
For the Year Ended June 30, 2015

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TOWN OF MILLINOCKET, MAINE
Annual Financial Report
For the Year Ended June 30, 2015

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Independent Auditor's Report

Town Council
Town of Millinocket, Maine

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activity, each major fund, and the aggregate remaining fund information of the Town of Millinocket, Maine, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activity, each major fund, and the aggregate remaining fund information of the Town of Millinocket, Maine, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplemental Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Millinocket, Maine's basic financial statements. The combining and individual fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 11, 2015 on our consideration of the Town of Millinocket, Maine's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Town of Millinocket, Maine's internal control over financial reporting and compliance.



November 11, 2015
South Portland, Maine

TOWN OF MILLINOCKET, MAINE
Management's Discussion and Analysis
June 30, 2015

The Town of Millinocket's annual financial report is hereby submitted for Fiscal Year 2015, which covers the period of July 1, 2014 to June 30, 2015. The Town is the responsible party to ensure the accuracy, completeness, and fairness of the data and other information presented. It is the belief of management that all the information contained herein is accurate in all material respects and reflects fairly the financial position and operations of the Town. This Management's Discussion and Analysis is designed to offer further explanation of the information contained herein.

The Town Implemented GASB 68, which was required for the year ended June 30, 2015.

FINANCIAL STATEMENTS

The audit contains several major components. The Basic Financial Statements reflect the activities in the Town's general fund, its proprietary account for Wastewater, and its fiduciary (trust) funds. Other related accounts include reserve funds that are set aside for special, specific purposes. Notes to the Financial Statements offer explanations of various entries, policies, and obligations of the Town. These include items such as the tax commitment, long-term debt, etc. Finally, the Combining and Individual Fund Statements address balance sheets and statements of revenues, expenditures, and changes in fund balances for the various funds (general, special, reserve, and permanent). The Table of Contents in the front section of the audit provides the specific pages where the various statements and exhibits can be found.

Governmental fund accounts use the modified accrual basis of accounting. This method measures cash and all other financial assets that can be converted to cash in a quick manner. Governmental activities are reported in the Statement of Net position and the Statement of Activities, which both use the accrual method because the information is cast in a context similar to the method used by most private sector companies. Each of these statements report changes in the Town's net position. Net position is simply the difference between assets and liabilities and this difference becomes one way to measure the financial position of the Town. Other factors include changes in the property tax base and the condition of the Town's infrastructure. Proprietary funds are also maintained on an accrual accounting basis, as they are treated as business-type accounts.

Comparative figures between this year and last are used to add clarity to the Town's condition and to provide the reader with more information.

TOWN OF MILLINOCKET, MAINE
Management's Discussion and Analysis, Continued

CONDENSED PRESENTATION OF FINANCIAL INFORMATION

The following information is condensed from Statement 1, Statement of Net Position for Fiscal 2015 compared to Fiscal 2014. It distinguishes between capital and other assets, notes the Town's general liabilities and debt service, and shows the Town's net position by restricted and unrestricted amounts. This information is for the Town's Governmental Activities and Business-type Activities.

	2015 Govt Activities	2015 Bus-type Activities	2015 Total	2014 Govt Activities (Restated)	2014 Bus-type Activities	2014 Total (Restated)
Assets:						
Current and other assets	\$ 6,111,313	1,204,030	7,315,343	5,968,474	1,111,426	7,079,900
Capital assets	10,749,700	4,020,752	14,770,452	11,002,317	4,070,073	15,072,390
Total assets	16,861,013	5,224,782	22,085,795	16,970,791	5,181,499	22,152,290
Deferred outflows of resources	276,225	-	276,225	171,293	-	171,293
Liabilities:						
Other liabilities	4,819,183	67,447	4,886,630	5,654,556	65,927	5,720,483
Long-term debt	4,382,166	1,137,489	5,519,655	5,861,185	1,321,206	7,182,391
Total liabilities	9,201,349	1,204,936	10,406,285	11,515,741	1,387,133	12,902,874
Deferred inflows of resources	690,219	-	690,219	-	-	-
Net position:						
Net invested in capital assets	7,229,631	2,883,263	10,112,894	6,886,737	2,748,867	9,635,604
Restricted	506,878	-	506,878	402,280	-	402,280
Unrestricted	(490,839)	1,136,583	645,744	(1,662,674)	1,045,499	(617,175)
Total net position	\$ 7,245,670	4,019,846	11,265,516	5,626,343	3,794,366	9,420,709

TYPES OF ACTIVITIES BY FISCAL YEAR

The information in the following chart is drawn from Statement 2, Statement of Activities, in a reformulated presentation to show overall revenues, expenses, and net position. While total expenses for all departments (including Wastewater) totaled \$12,706,950, other revenues contributed to make the net amount raised by property taxes \$5,829,756. Put another way, property taxes financed 46% in FY15 compared to FY14's 43% of the total costs of providing municipal, school, county, and wastewater expenses. It should be noted that Wastewater is entirely self-financed through user fees and other related revenues and does not use any property taxes to support its budget. Under GASB #34, however, it is necessary to include its revenues and expenses in these totals.

TOWN OF MILLINOCKET, MAINE
Management's Discussion and Analysis, Continued

In addition, the Town is also dealing with a number of other residential properties that continue to default on taxes and sewer invoices owed. Over the past year and one-half, the Town has processed 71 tax-acquired properties owing a total tax and sewer amount of \$349,112. Some owners of record paid to retain ownership, others were sold in a sealed bid process and the remaining are being offered to abutters for demolition in an effort to enhance the abutters property.

SIGNIFICANT BUDGET VARIANCES

Property taxes were committed on August 18, 2014. As usual, there were a number of variances between what was budgeted by functional area and what was actually received in revenues or spent in expenditures. The Council appropriated monies from reserve to aid economic development and expansion of existing industry in Millinocket.

SUMMARY OF CAPITAL ASSETS AND LONG-TERM DEBT ACTIVITY

CAPITAL ASSETS

For the past several years, the Town has developed and maintained a Capital Improvement Plan (CIP), but has not routinely funded it as part of the budget. This plan's list is updated annually as part of the budget cycle. The plan is for equipment needs only and does not include buildings, technical equipment or highway improvements at this time. Also, street paving is a separate sub-account in the Public Works budget for FY15.

For FY15, the Town Council did not spend a significant portion of their budgeted capital equipment needs due to poor cash flow. The Town established reserves to replace or repair all heavy equipment, technical equipment, buildings, roads and a revaluation. Part of the funding came from carry forward amounts at the budget year end and from proceeds of equipment sales. All unspent balances have been assigned (carried forward) at year end.

LONG-TERM DEBT

The State allows municipalities to borrow up to 15% of their total state valuation. Since the value of the Town was \$185,600,000 in FY15, the town's debt limit is at 2.47% as compared to 2.75% in FY14. Our current bonded debt is \$4,591,769. This debt includes \$2,491,026 in school projects, \$963,254 for municipal purposes (including the new pool, energy improvements and fire trucks) and \$1,137,489 for Wastewater. The Wastewater debt is repaid through user fees, not property tax revenues.

Current wastewater debt expires in 2028. The last school loan will be repaid in 2018. The municipal loans are for the new pool that is a 15-year obligation, energy improvements will be paid off in 2020, a 2011 new fire pumper tanker (matures 2020) and a 2002 Fire Kovatch Truck (matures 2018).

The strategic use of debt has become more important for key projects in recent years. The Town has been judicious with debt. The use of debt spreads out the costs of needed improvements of a capital nature as opposed to the current method of mostly paying as we go. Debt, however, becomes a fixed cost going forward and limits the flexibility that is sometimes needed to finance an operating budget. However as the total valuation continues to decline, the percent of the total indebtedness compared to the total valuation will increase placing a larger burden on the remaining property owners to continue to fund.

FUTURE SIGNIFICANT IMPACTS

The future for Millinocket looks challenging and will be a success only if the community joins in with local officials to seek a new economic vitality. Caution should be employed when reducing municipal and school operations so as to enable any opportunity for rebound should economic activities take place.

The Millinocket paper mill facility is currently under demolition. It is anticipated that the Administration and Engineering and Research buildings will remain intact. With much of the demolition of the mill facility completed, number 11 paper machine is slated for removal in the near future, which will remove the remainder of the mill valuation. However, the Town must now brace itself as over 90% of GNP, West, Inc. loses its value and must consider options to remain viable.

As a result, this impending decreased tax valuation will negatively impact the ability of the Town and School to continue to operate "business as usual" and significant changes to services should be expected. The Town Council and School Committee will need to work together to develop a strategic plan of services as well as work with the businesses and citizens to define operations and future developments as part of redefining what the Town of Millinocket will be for future generations.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Town of Millinocket's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Town Manager, Town of Millinocket, Maine, 197 Penobscot Avenue, Millinocket, Maine 04462 or at manager@millinocket.org

Respectfully submitted,

Harold "John" Davis
Millinocket Town Manager



BASIC FINANCIAL STATEMENTS

TOWN OF MILLINOCKET, MAINE
Statement of Net Position
June 30, 2015

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 2,990,428	147,123	3,137,551
Investments	389,182	371,310	760,492
Receivables:			
Accounts, net of allowance of \$45,000	567,874	630,531	1,198,405
Intergovernmental	306,701	-	306,701
Taxes receivable	1,449,485	-	1,449,485
Tax liens	143,522	-	143,522
Notes, net of allowance of \$4,556	291,241	-	291,241
Internal balances	(51,063)	51,063	-
Inventory	23,943	-	23,943
Other	-	4,003	4,003
Capital assets, not being depreciated	283,317	45,507	328,824
Capital assets, net of accumulated depreciation	10,466,383	3,975,245	14,441,628
Total assets	16,861,013	5,224,782	22,085,795
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	276,225	-	276,225
Total deferred outflows of resources	276,225	-	276,225
LIABILITIES			
Cash overdraft	42,464	-	42,464
Accounts payable and other current liabilities	270,450	1,947	272,397
Unearned revenue	17,985	-	17,985
Accrued wages and benefits payable	718,185	3,928	722,113
Accrued compensated absences	258,234	61,572	319,806
Other post-employment benefits	3,487,258	-	3,487,258
Accrued interest	24,607	-	24,607
Noncurrent liabilities:			
Due within one year	588,930	183,985	772,915
Due in more than one year	3,793,236	953,504	4,746,740
Total liabilities	9,201,349	1,204,936	10,406,285
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to pensions	690,219	-	690,219
Total deferred inflows of resources	690,219	-	690,219
NET POSITION			
Net investment in capital assets	7,229,631	2,883,263	10,112,894
Restricted for:			
Nonexpendable trust principal	16,401	-	16,401
Other purposes	490,477	-	490,477
Unrestricted	(490,839)	1,136,583	645,744
Total net position	\$ 7,245,670	4,019,846	11,265,516

See accompanying notes to basic financial statements.

TOWN OF MILLINOCKET, MAINE
Statement of Activities
For the Year Ended June 30, 2015

Functions/programs	Net (expense) revenue and changes in net position				
	Program revenues			Primary Government	
	Expenses	Charges for services	Operating grants and contributions	Capital grants and contributions	Total
Primary government:					
Governmental activities:					
General government	\$				
Protection	403,708	72,067	-	-	(331,641)
Town services	1,532,913	403,916	4,933	-	(1,124,064)
Community services	973,208	160,051	43,504	-	(769,653)
Education	791,006	142,723	67,191	-	(581,092)
On-behalf payments - Maine PERS	6,649,096	338,273	3,909,871	-	(2,400,952)
Insurance and fringe benefits	289,225	-	289,225	-	-
County tax	808,277	-	-	-	(808,277)
Food service	234,311	-	-	-	(234,311)
Unclassified	288,583	75,954	191,773	-	(20,856)
Capital maintenance expenses	(3,454)	-	-	-	3,454
Interest on debt	73,069	-	-	-	(73,069)
Total governmental activities	110,739	-	-	-	(110,739)
Business-type activities:					
Wastewater treatment plant	12,150,681	1,192,994	4,506,497	-	(6,451,200)
Total business-type activities	556,269	799,858	-	-	243,589
Total primary government	\$ 12,706,950	1,992,842	4,506,497	-	(6,207,611)
General revenues:					
Property taxes, levied for general purposes				\$ 5,829,756	5,829,756
Motor vehicle excise taxes				717,804	717,804
Interest and lien costs				189,036	189,036
Grants and contributions not restricted to specific programs:					
Homestead and BETE exemptions				408,263	408,263
Other State aid				110,046	110,046
State Revenue Sharing				399,294	399,294
Unrestricted investment earnings				291	291
Miscellaneous revenues				435,466	435,466
Loss on disposal of assets				(47,012)	(47,012)
Transfers				18,400	18,400
Total general revenues and transfers				8,070,527	8,052,418
Change in net position				1,619,327	1,844,807
Net position - beginning, restated				5,626,343	3,794,366
Net position - ending				\$ 7,245,670	4,019,846
					11,265,516

See accompanying notes to basic financial statements.

TOWN OF MILLINOCKET, MAINE

Balance Sheet
Governmental Funds

June 30, 2015

	General	Capital Reserve Funds	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 2,929,857	-	60,571	2,990,428
Investments	-	350,210	38,972	389,182
Receivables:				
Accounts, net of allowance of \$45,000	567,874	-	-	567,874
Intergovernmental	-	-	306,701	306,701
Taxes receivable	1,449,485	-	-	1,449,485
Tax liens	143,522	-	-	143,522
Notes, net of allowance of \$4,556	-	-	291,241	291,241
Interfund loans receivable	-	255,975	25,228	281,203
Inventory	9,029	-	14,914	23,943
Total assets	\$ 5,099,767	606,185	737,627	6,443,579
LIABILITIES				
Cash overdraft	42,464	-	-	42,464
Accounts payable	263,402	-	7,048	270,450
Unearned revenue	-	-	17,985	17,985
Accrued wages and benefits	482,603	-	235,582	718,185
Interfund loans payable	189,482	105,137	37,647	332,266
Total liabilities	977,951	105,137	298,262	1,381,350
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	1,500,400	-	-	1,500,400
Total deferred inflows of resources	1,500,400	-	-	1,500,400
FUND BALANCES				
Nonspendable	9,029	-	322,556	331,585
Restricted	64,082	-	135,154	199,236
Committed	-	501,048	13,425	514,473
Assigned - Town	804,823	-	-	804,823
Unassigned - School	(289,767)	-	(31,770)	(321,537)
Unassigned - Town	2,033,249	-	-	2,033,249
Total fund balances	2,621,416	501,048	439,365	3,561,829
Total liabilities, deferred inflows of resources, and fund balances	\$ 5,099,767	606,185	737,627	

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.	10,749,700
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable in the funds.	1,500,400
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported in the funds:	
Compensated absences payable	(258,234)
Other post employment benefits	(3,487,258)
Accrued interest	(24,607)
Capital leases payable	(65,790)
Net pension liability, including related deferred outflows and inflows	(1,276,090)
Bonds payable	(3,454,280)

Net position of governmental activities	\$ 7,245,670
--	---------------------

See accompanying notes to basic financial statements.

TOWN OF MILLINOCKET, MAINE
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2015

	General	Capital Reserve Funds	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 6,338,596	-	-	6,338,596
Licenses and permits	44,067	-	-	44,067
Intergovernmental	4,171,282	-	963,593	5,134,875
Intergovernmental on-behalf payments	289,225	-	-	289,225
Tuition and other charges for services - education	212,161	-	-	212,161
Charges for services	386,080	-	202,066	588,146
Fees and fines	14,354	-	-	14,354
Unclassified	769,468	-	254	769,722
Investment earnings	58	37	9,379	9,474
Total revenues	12,225,291	37	1,175,292	13,400,620
Expenditures:				
Current:				
General government	612,406	-	-	612,406
Protection	1,458,542	-	1,007	1,459,549
Town services	851,523	-	-	851,523
Community services	622,729	-	-	622,729
Education	5,420,757	-	866,226	6,286,983
On-behalf payments - Maine PERS	289,225	-	-	289,225
Insurance and fringe benefits	795,103	-	-	795,103
County tax	234,311	-	-	234,311
Food services	-	-	288,583	288,583
Unclassified	-	-	(3,454)	(3,454)
Capital outlay	549,765	-	-	549,765
Debt service	677,911	-	-	677,911
Total expenditures	11,512,272	-	1,152,362	12,664,634
Excess (deficiency) of revenues over (under) expenditures	713,019	37	22,930	735,986
Other financing sources (uses):				
Transfers from other funds	67,469	6,050	26,693	100,212
Transfers to other funds	(26,693)	(55,119)	-	(81,812)
Total other financing sources (uses)	40,776	(49,069)	26,693	18,400
Net change in fund balances	753,795	(49,032)	49,623	754,386
Fund balances, beginning of year	1,867,621	550,080	389,742	2,807,443
Fund balances, end of year	\$ 2,621,416	501,048	439,365	3,561,829

See accompanying notes to basic financial statements.

TOWN OF MILLINOCKET, MAINE
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the year ended June 30, 2015

Net change in fund balances - total governmental funds (from Statement 4)	\$	754,386
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Amounts reported for governmental activities in the statement of activities (Statement 2) are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense (\$682,302) and loss on disposal (\$47,012) exceeded capital outlay (\$476,697). (252,617)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This is the change in deferred revenue. 398,000

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This is the decrease in accrued compensated absences (\$13,928), accrued interest (\$4,840), the decrease in the net pension liability with related deferred inflows and outflows of resources (\$298,221), and an increase in other post-employment benefits (\$192,942). 124,047

Capital lease proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount of lease repayments. 33,179

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount of repayments. 562,332

Change in net position of governmental activities (see Statement 2)	\$	1,619,327
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See accompanying notes to basic financial statements.

TOWN OF MILLINOCKET, MAINE
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the year ended June 30, 2015

	Budgeted amounts			Variance with final budget positive (negative)
	Original	Final	Actual	
Revenues:				
Taxes	\$ 6,918,954	6,918,954	6,338,596	(580,358)
Licenses and permits	43,250	43,250	44,067	817
Intergovernmental	4,035,378	4,035,378	4,171,282	135,904
Tuition and other charges for services - education	309,883	309,883	212,161	(97,722)
Charges for services	369,211	369,211	386,080	16,869
Fees and fines	4,373	4,373	14,354	9,981
Unclassified	500,902	500,902	769,468	268,566
Investment earnings	100	100	58	(42)
Total revenues	12,182,051	12,182,051	11,936,066	(245,985)
Expenditures:				
Current:				
General government	538,874	538,874	612,406	(73,532)
Protection	1,525,289	1,525,289	1,458,542	66,747
Town services	963,009	963,009	851,523	111,486
Community services	610,507	610,507	622,729	(12,222)
Education	5,637,412	5,637,412	5,420,757	216,655
Insurance and fringe benefits	842,411	842,411	795,103	47,308
County tax	234,311	234,311	234,311	-
Capital outlay	1,103,016	1,103,016	549,765	553,251
Debt service	681,727	681,727	677,911	3,816
Total expenditures	12,136,556	12,136,556	11,223,047	913,509
Excess (deficiency) of revenues over (under) expenditures	45,495	45,495	713,019	667,524
Other financing sources (uses):				
Overlay	(40,702)	(40,702)	-	40,702
Transfers from other funds	21,900	21,900	67,469	45,569
Transfers to other funds	(26,693)	(26,693)	(26,693)	-
Total other financing sources (uses)	(45,495)	(45,495)	40,776	86,271
Net change in fund balance	-	-	753,795	753,795
Fund balance, beginning of year			1,867,621	
Fund balance, end of year	\$		2,621,416	

See accompanying notes to basic financial statements.

TOWN OF MILLINOCKET, MAINE
Statement of Net Position
Proprietary Funds
June 30, 2015

Business-type Activities - Enterprise Funds		Wastewater Treatment Plant
ASSETS		
Current assets:		
Cash and cash equivalents	\$	147,123
Investments		371,310
Accounts receivable		630,531
Interfund loans receivable		51,063
Loan origination fees - net		4,003
Total current assets		1,204,030
Noncurrent assets:		
Capital assets		12,950,687
Less accumulated depreciation		(8,929,935)
Total noncurrent assets		4,020,752
Total assets		5,224,782
LIABILITIES		
Current liabilities:		
Accounts payable		1,947
Accrued wages		3,928
Accrued compensated absences		61,572
Bonds payable, current		183,985
Total current liabilities		251,432
Noncurrent liabilities:		
Bonds payable		953,504
Total noncurrent liabilities		953,504
Total liabilities		1,204,936
NET POSITION		
Net investment in capital assets		2,883,263
Unrestricted		1,136,583
Total net position	\$	4,019,846

See accompanying notes to basic financial statements.

TOWN OF MILLINOCKET, MAINE
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the year ended June 30, 2015

Business-type Activities - Enterprise Funds	
	Wastewater Treatment Plant
Operating revenues:	
Charges for services	\$ 793,663
Other	6,195
Total operating revenues	799,858
Operating expenses:	
Administration	119,660
Operations	270,178
Depreciation and amortization	147,561
Total operating expenses	537,399
Operating income	262,459
Nonoperating revenue (expense):	
Interest income	291
Interest expense	(18,870)
Total nonoperating revenue (expense)	(18,579)
Income before transfers	243,880
Transfers out	(18,400)
Change in net position	225,480
Total net position, beginning of year	3,794,366
Total net position, end of year	\$ 4,019,846

See accompanying notes to basic financial statements.

TOWN OF MILLINOCKET, MAINE
Statement of Cash Flows - Proprietary Funds
For the year ended June 30, 2015

Business-type Activities - Enterprise Funds		Wastewater Treatment Plant
Cash flows from operating activities:		
Receipts from customers and users	\$	654,020
Payments to suppliers		(166,799)
Payments to employees		(221,643)
Net cash provided by operating activities		265,578
Cash flows from noncapital financing activities:		
Transfer to other funds		(18,400)
Net cash used in noncapital financing activities		(18,400)
Cash flows from capital and related financing activities:		
Purchase of capital assets		(96,782)
Principal payments on bonds		(183,716)
Interest paid		(18,870)
Net cash used in capital and relating financing activities		(299,368)
Cash flows from investing activities:		
Sale of investments		99,464
Investment income		291
Net cash provided by investing activities		99,755
Increase in cash and cash equivalents		47,565
Cash and cash equivalents, beginning of year		99,558
Cash and cash equivalents, end of year	\$	147,123
Reconciliation of operating income to net cash provided by (used in) operating activities:		
Operating income (loss)	\$	262,459
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization		147,561
Increase in operating assets:		
Accounts receivable		(145,838)
Increase (decrease) in operating liabilities:		
Accounts payable		(4,378)
Accrued wages and benefits payable		915
Accrued compensated absences		4,859
Net cash provided by operating activities		265,578

See accompanying notes to basic financial statements.

TOWN OF MILLINOCKET, MAINE
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2015

	<u>Agency Fund</u>
	<u>School Activity</u>
	<u>Fund</u>
ASSETS	
Cash and cash equivalents	\$ 105,006
Total assets	105,006
LIABILITIES	
Due to student groups	105,006
Total liabilities	105,006
NET POSITION	
Held in trust	\$ -

See accompanying notes to basic financial statements.

TOWN OF MILLINOCKET, MAINE
Notes to Basic Financial Statements

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Millinocket, Maine was incorporated as a Town in 1901 under the laws of the State of Maine. The Town operates under a council-manager form of government.

A. Reporting Entity

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the Town of Millinocket, Maine (the primary government) and its component units. The decision to include a potential component unit was made by applying the criteria set forth in accounting principles generally accepted in the United States of America which defines the reporting entity as the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government. Application of this criterion and determination of type of presentation involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. Additionally, certain organizations warrant inclusion as part of the financial reporting entity because of the nature and significance of their relationship with the primary government, including their ongoing financial support of the primary government or component unit. Based on the application of these criteria, there were no potential component units required to be included in this report.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The Town has elected not to allocate indirect costs among the programs, functions and segments. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

C. Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period for property taxes and one year for all other revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as certain compensated absences and claims and judgments, are recorded only when the payment is due.

Those revenues susceptible to accrual are property taxes, interest, and charges for services. Other receipts and taxes become measurable and available when cash is received by the Town and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The Town reports the following major governmental funds:

The General Fund is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Capital Reserve Funds are used to account for transactions related to capital reserves held by the Town.

The Town reports the following major proprietary fund:

The Wastewater Treatment Plant Fund accounts for the operation of a sewer system in Millinocket.

Additionally, the Town reports the following fund type:

Fiduciary funds account for assets held by the Town in a trustee capacity or as an agent on behalf of others. The Town's fiduciary funds include the following fund type:

Agency funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. The funds are used to account for assets that the Town holds for others in an agency capacity.

TOWN OF MILLINOCKET, MAINE
Notes to Basic Financial Statements, Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's proprietary fund is charges to customers for sales and services; operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Cash, Cash Equivalents and Investments

Cash and cash equivalents include amounts in demand deposits as well as time deposits and certificates of deposit owned by the Town. State statutes authorize the Town to invest in obligations of the U. S. Treasury, commercial paper, corporate bonds, and repurchase agreements.

Investments are stated at fair value, unless otherwise indicated. 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 cash equivalents.

Investments of the Permanent Funds, Wastewater Treatment Plant Fund and Capital Reserve Funds are pooled on a cost basis, with each individual fund subscribing to or disposing of interest in the investment pool on the basis of cost value at the beginning of the fiscal year. As such, investment income, investment expense, and gains and losses on sales of investments are allocated to each fund based on its proportionate interest in the investment pool.

E. Inventory

Inventory consists of airport fuel and supplies and School Lunch Program food, supplies and donated commodities and is recorded at the lower of cost or market on the first-in, first-out basis.

F. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal repairs and maintenance that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

For the primary government, the following estimated useful lives are used to compute depreciation:

Buildings and improvements	10-50 years
Interceptors	35 years
Sewer lines	35-100 years
Equipment and vehicles	5-50 years
Infrastructure	40 years

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

G. Deferred Inflows and Outflows of Resources

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

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has one type of item that qualifies for reporting in this category, unavailable revenue from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The deferred inflows relate to the net pension liability, which include the differences between expected and actual experience and changes in proportion and differences between Town contributions and proportionate share of contributions, which is deferred and amortized over the average expected remaining service lives of active and inactive members in the plan. They also include the net difference between projected and actual earnings on pension plan investments, which is deferred and amortized over a five-year period. These amounts

H. Compensated Absences

Under the terms of personnel policies and union contracts, vacation and sick leave are granted in varying amounts according to length of service. All compensated absences are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

I. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, if material to government-wide financial statements, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

J. Interfund Transactions

During the course of normal operations, the Town has numerous transactions between funds including expenditures and transfers of resources to provide services, construct assets and service debt. These transactions are reported as transfers.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

K. Fund Equity

Governmental Fund fund balance is reported in five classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which those funds can be spent. The five classifications of fund balance for the Governmental Funds are as follows:

- *Nonspendable* – resources which cannot be spent because they are either a) not in spendable form or; b) legally or contractually required to be maintained intact.
- *Restricted* – resources with constraints placed on the use of resources which are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or; b) imposed by law through constitutional provisions or enabling legislation.
- *Committed* – resources which are subject to limitations the government imposes on itself at its highest level of decision making authority, and that remain binding unless removed in the same manner.
- *Assigned* – resources that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed.
- *Unassigned* – resources which have not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount.

Generally, all unexpended budgetary accounts lapse at the close of the fiscal year. The Town Council has the responsibility for committing fund balance amounts and likewise would be required to modify or rescind those commitments. The Town Council has designated the responsibility for assigning fund balance to the Town Manager.

Although not a formal policy, when both restricted and unrestricted resources are available for use, it is the Town's intent to use restricted resources first, then unrestricted resources as they are needed. When committed, assigned and unassigned resources are available for use, it is the Town's practice to use committed or assigned resources first, and then unassigned resources as they are needed.

L. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriations, is employed by the School Department. Encumbrances, if any, have been shown as assigned fund balance at year-end.

M. Use of Estimates

Preparation of the Town's financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent items at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

N. Pensions

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

O. Comparative Data/Reclassifications

Comparative data for the prior year have been presented only for certain funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds.

STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary vs. GAAP Basis of Accounting

For the year ended June 30, 2015, the Town changed the method of budgeting for revenues and expenditures related to teachers' summer pay and benefits and now follows the modified accrual basis of accounting.

As required by accounting principles generally accepted in the United States of America (GAAP), the Town has recorded a revenue and expenditure for Maine Public Employees Retirement contributions made by the State of Maine on behalf of the Town of Millinocket School Department. These amounts have not been budgeted and result in a difference in reporting on a budgetary basis of accounting vs. reporting under accounting principles generally accepted in the United States of America of \$289,225. These amounts have been included as an intergovernmental revenue and an education expenditure/expense in the General Fund on Statement 4 (GAAP basis) and on the Statement of Activities (Statement 2). There is no effect on the fund balance/net position at the end of the year.

Budget Information

The Town utilizes a formal budgetary accounting system to control revenues and expenditures accounted for in the General Fund. These budgets are established in accordance with the various laws of the State of Maine which govern the Town's operations. The budget has been prepared consistent with the modified accrual basis of accounting. Generally, all unexpended appropriations lapse at the close of the fiscal year.

TOWN OF MILLINOCKET, MAINE
Notes to Basic Financial Statements, Continued

STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, CONTINUED

Excess of Expenditures over Appropriations

For the year ended June 30, 2015, expenditures exceeded appropriations in the following categories:

Legal services	\$ 73,600	Insurances	3,589
Administration	25,737	KARE*	53,795
Planning, code, development	1,292	Recreation	7,091
DARE Program – donations*	2,047	Public health and welfare agencies	1,050
Ambulance	3,394	Special capital Improvements **	79,392
Community services	10,749		

* The Town used assigned fund balances to cover these overages.

** This was offset by Airport grant proceeds for equal amounts.

DEPOSITS AND INVESTMENTS

As of June 30, 2015, the Town had the following investments:

	<u>Fair value</u>	<u>Weighted average maturity (years)</u>	<u>Credit rating</u>
Money market	\$ 760,492	N/A	N/A
Total investments	\$ 760,492	N/A	N/A

Custodial credit risk - deposits – In the case of deposits, this is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town currently does not have a deposit policy for custodial credit risk. As of June 30, 2015, all of the Town's bank balance of \$3,334,386 was insured and/or collateralized.

Custodial credit risk - investments – For investments, this is the risk that in the event of failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The Town currently does not have an investment policy for custodial credit risk. Of the Town's \$760,492 investment in money market, \$139,182 was uninsured and/or uncollateralized.

Credit risk – Maine statutes authorize the Town to invest in obligations of the U.S. Treasury and U.S. agencies, repurchase agreements and certain corporate stocks and bonds. The Town currently does not have an investment policy for credit risk.

Interest rate risk – The Town does not have a deposit policy for interest rate risk.

TOWN OF MILLINOCKET, MAINE
Notes to Basic Financial Statements, Continued

DEPOSITS AND INVESTMENTS, CONTINUED

As of June 30, 2015, the Town reported the following cash and investments:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Cash	\$ 2,990,428	147,123	105,006	3,242,557
Investments	389,182	371,310	-	760,492
Cash overdraft	(42,464)	-	-	(42,464)
Total	\$ 3,337,146	518,433	105,006	3,960,585

PROPERTY TAX

Property taxes for the current period were committed on August 18, 2014, on the assessed value listed as of April 1, 2014, for all real and personal property located in the Town. Payments of taxes were due in equal installments on September 22, 2014 and January 21, 2015. Interest at the rate of 3% per annum was charged on any amounts remaining unpaid after these dates. Assessed values are periodically established by the Assessor's agent at 100% of assumed market value. The 2015 assessed value was 100% of the estimated market value and 114% of the 2015 state valuation of \$185,600,000.

The Town is permitted by the laws of the State of Maine to levy taxes up to 105% of its net budgeted expenditures for the related fiscal period. The amount raised in excess of 100% is referred to as overlay, and amounted to \$40,702 for the period ended June 30, 2015.

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

Property taxes levied during the period were recorded as receivables at the time the levy was made. The receivables collected during the period and in the first sixty days following the end of the fiscal period have been recorded as revenues. The remaining receivables have been recorded as deferred inflows of resources.

The following summarizes the tax levies:

	<u>2015</u>	<u>2014</u>
Assessed value	\$ 211,552,500	240,869,500
Tax rate (per \$1,000)	29.60	29.95
Commitment	6,261,954	7,213,142
Supplemental taxes assessed	-	2,645
	6,261,954	7,215,787
Less:		
Collections and abatements	4,880,085	4,733,740
Receivable at end of period	\$ 1,381,869	2,482,047
Collection rate	77.93%	65.60%

TOWN OF MILLINOCKET, MAINE
Notes to Basic Financial Statements, Continued

CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2015 was as follows:

	Balance June 30, 2014	Increases	Decreases	Balance June 30, 2015
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 283,317	-	-	283,317
Construction in progress	-	-	-	-
Total capital assets, not being depreciated	283,317	-	-	283,317
Capital assets, being depreciated:				
Land improvements	5,322,806	94,393	-	5,417,199
Buildings and building improvements	8,686,458	91,704	35,184	8,742,978
Equipment and vehicles	6,911,660	290,600	250,031	6,952,229
Infrastructure	3,441,980	-	-	3,441,980
Total capital assets being depreciated	24,362,904	476,697	285,215	24,554,386
Less accumulated depreciation for:				
Land improvements	656,860	134,029	-	790,889
Buildings and building improvements	4,261,300	288,427	4,733	4,544,994
Equipment and vehicles	5,316,108	257,851	233,470	5,340,489
Infrastructure	3,409,636	1,995	-	3,411,631
Total accumulated depreciation	13,643,904	682,302	238,203	14,088,003
Total capital assets being depreciated, net	10,719,000	(205,605)	47,012	10,466,383
Governmental activities capital assets, net	\$ 11,002,317	(205,605)	47,012	10,749,700

	Balance June 30, 2014	Increases	Decreases	Balance June 30, 2015
Business-type activities:				
Capital assets, not being depreciated:				
Construction in progress	\$ 5,912	45,507	5,912	45,507
Capital assets, being depreciated:				
Buildings and building improvements	4,714,643	-	-	4,714,643
Interceptors	1,113,395	-	-	1,113,395
Equipment and vehicles	814,145	57,187	-	871,332
Infrastructure, sewer lines and equipment	6,205,817	-	-	6,205,817
Total capital assets being depreciated	12,848,000	57,187	-	12,905,187
Less accumulated depreciation for:				
Buildings and building improvements	4,489,089	33,148	-	4,522,237
Interceptors	1,078,757	31,724	-	1,110,481
Equipment and vehicles	583,812	22,460	-	606,272
Infrastructure, sewer lines and equipment	2,632,181	58,771	-	2,690,952
Total accumulated depreciation	8,783,839	146,103	-	8,929,942
Total capital assets being depreciated, net	4,064,161	(88,916)	-	3,975,245
Business-type activities capital assets, net	\$ 4,070,073	(43,409)	5,912	4,020,752

TOWN OF MILLINOCKET, MAINE
Notes to Basic Financial Statements, Continued

CAPITAL ASSETS, CONTINUED

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

Governmental activities:	
General government	\$ 21,645
Protection	82,459
Town services	118,693
Community services	164,111
Education	295,394

<u>Total depreciation expense - governmental activities</u>	<u>\$ 682,302</u>
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Business-type activities:	
<u>Wastewater Treatment Plant</u>	<u>146,103</u>

<u>Total depreciation expense - business activities</u>	<u>\$ 146,103</u>
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LONG-TERM DEBT

Long-term liability activity for the year ended June 30, 2015 was as follows:

	<u>Beginning balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending balance</u>	<u>Due within one year</u>
Governmental activities:					
General obligation bonds	\$ 4,016,612	-	562,332	3,454,280	572,527
Capital leases	98,968	-	33,178	65,790	16,403
Net pension liability	1,745,605	-	883,509	862,096	-
Other post-employment benefits	3,294,316	819,680	626,738	3,487,258	-
Accrued compensated absences	272,162	-	13,928	258,234	-
Governmental activity					
<u>long-term liabilities</u>	<u>\$ 9,427,663</u>	<u>819,680</u>	<u>2,119,685</u>	<u>8,127,658</u>	<u>588,930</u>
Business-type activities:					
General obligation bonds	1,321,206	-	182,717	1,137,489	183,985
Accrued compensated absences	56,713	4,859	-	61,572	-
Business-type activities					
<u>long-term liabilities</u>	<u>\$ 1,377,919</u>	<u>4,859</u>	<u>182,717</u>	<u>1,199,061</u>	<u>183,985</u>

TOWN OF MILLINOCKET, MAINE
Notes to Basic Financial Statements, Continued

LONG-TERM DEBT, CONTINUED

Bonds and notes payable at June 30, 2015 are comprised of the following:

	<u>Date of issue</u>	<u>Original amount issued</u>	<u>Date of maturity</u>	<u>Interest rate</u>	<u>Balance June 30, 2015</u>
Governmental activities:					
School improvements	05/01/98	\$ 4,560,000	2018	Varies	1,305,650
2006 Series C	10/26/06	1,200,000	2021	Varies	560,000
2009 GOB	08/03/09	341,354	2020	4.96%	170,677
2011 GOB (1)	10/27/11	1,465,000	2026	4.45%	1,185,376
2011 Int'l. Pumper Fire Truck	03/29/13	228,401	2020	2.95%	150,695
Kovatch Fire Truck	08/14/12	159,599	2018	2.88%	81,882

<u>Total governmental activities</u>	<u>\$ 3,454,280</u>
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	<u>Date of issue</u>	<u>Original amount issued</u>	<u>Date of maturity</u>	<u>Interest rate</u>	<u>Balance June 30, 2015</u>
Business-type activities:					
Sewer line expansion	04/01/03	\$ 1,922,632	2017	1.33%	383,911
CWSRF	05/16/08	1,050,000	2028	1.80%	724,255
2009 GOB	08/03/09	58,646	2020	4.96%	29,323

<u>Total business-type activities</u>	<u>\$ 1,137,489</u>
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(1) The Town has entered into an agreement with the bank to fund the retirement of the 2011 General Obligation Bond with annual payments to a trust account. The payments deposited into the trust account are invested and it is anticipated that earnings on the deposit will fund a significant portion of the debt retirement obligation. As such, the payments made into the trust are less than what would be required under a traditional payment schedule. When the bond matures, there is a possibility that the deposits made plus the investment earnings will not be sufficient to retire the entire principal and interest obligation. In that scenario, the Town would be obligated to make a payment to retire and remaining principal or interest due. As of June 30, 2015, the value of the trust account equaled \$296,460.

Arbitrage rebate - Pursuant to the Tax Reform Act of 1986, municipalities issuing tax-exempt bonds or entering into note or lease obligations are required to perform an arbitrage rebate calculation upon the fifth anniversary of the obligation and to remit such rebate to the federal government, subject to certain exceptions. There are certain exceptions which result in a municipal issuer not having to calculate or pay the required rebate. The Town of Millinocket has met these exceptions since the effective date of the regulations.

TOWN OF MILLINOCKET, MAINE
Notes to Basic Financial Statements, Continued

LONG-TERM DEBT, CONTINUED

The annual requirements to amortize all long-term debt outstanding as of June 30, 2015 are as follows:

<u>June 30,</u>	<u>Governmental activities</u>			<u>Business-type activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 572,527	95,687	668,214	183,985	20,369	204,354
2017	590,536	71,466	662,002	184,885	18,087	202,972
2018	592,369	46,299	638,668	185,184	15,790	200,974
2019	594,420	21,244	615,664	58,556	14,022	72,578
2020	225,092	6,197	231,289	59,505	12,782	72,287
2021-2025	626,040	2,940	628,980	283,033	47,622	330,655
2026-2029	253,296	-	253,296	182,341	16,051	198,392
Total	\$ 3,454,280	243,833	3,698,113	1,137,489	144,723	1,282,212

The Town is subject to a statutory limitation, by the State of Maine, of its general long-term debt equal to 15% of the State's valuation of the Town. The Town's outstanding long-term debt of \$4,591,769 at June 30, 2015 was within the statutory limit.

OBLIGATIONS UNDER CAPITAL LEASES

The Town and School Department have entered into several lease agreements. These leases qualify as capital leases for accounting purposes, and therefore have been recorded in the government-wide financial statements at the present value of future minimum lease payments as of the date of inception. These assets are recorded as capital assets in the government-wide financial statements.

The following items have been capitalized under capital leases as of June 30, 2015:

Copiers	\$ 162,281
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Minimum future lease payments under capital leases are:

<u>Year ended June 30,</u>	
2016	18,862
2017	18,862
2018	17,671
2019	16,481
Total minimum lease payments	71,876
Less amount representing interest	6,086
Present value of future minimum lease payments	<u>\$ 65,790</u>

In addition to the bonds and capital leases payable, the Town is contingently responsible for the following overlapping debt as of June 30, 2015:

<u>Governmental Unit</u>	<u>Net debt outstanding</u>	<u>Applicable to Town</u>	<u>Town's share of debt</u>
Penobscot County	\$4,250,000	1.75%	\$74,375

TOWN OF MILLINOCKET, MAINE
Notes to Basic Financial Statements, Continued

FUND BALANCE

The General Fund unassigned fund balance total of \$1,743,482 represents fund balance of \$2,033,249 for the Town and (\$289,767) for the School that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the General Fund. Unassigned fund balances totaling (\$4,563) are also reported for a special revenue fund (Adult Education Fund) and (\$27,207) for the School Categorical Program that have negative fund balances as of June 30, 2015 as shown on Statement 3.

As of June 30, 2015, other fund balance components consisted of the following:

	<u>General Fund</u>		
Assigned for subsequent years' expenditures:			
Record preservation	\$ 500		
Dog fees	7,552		
Mower	10,000		
Recreation pickup	10,000		
Revaluation	250,000		
Paving	43,321		
Heavy equipment	464,516		
Technical	18,934		
Total assigned	\$ 804,823		
	<u>General Fund</u>	<u>Special Revenue</u>	<u>Permanent Fund</u>
Nonspendable for:			
Inventory	\$ 9,029	14,914	-
Noncurrent notes receivable	-	291,241	-
Trust fund principal	-	-	16,401
Total nonspendable	\$ 9,029	306,155	16,401
Restricted by external constraints:			
Education grants	\$ -	61,492	-
Federal reimbursement program	-	15,695	-
Other external constraints	64,082	36,959	-
Trust documents	-	-	21,008
Total restricted	\$ 64,082	114,146	21,008
Committed for:			
Capital	-	501,048	-
Other	-	13,425	-
Total committed	\$ -	514,473	-

NET POSITION

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds and capital leases payable and adding back any unspent proceeds. The Town's net investment in capital assets was calculated as follows at June 30, 2015:

	<u>Governmental</u>	<u>Business-type</u>
Capital assets	\$ 24,837,703	12,950,694
Accumulated depreciation	(14,088,003)	(8,929,942)
Bonds payable	(3,454,280)	(1,137,489)
Capital leases payable	(65,789)	-
Total net investment in capital assets	\$ 7,229,631	2,883,263

RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions, and natural disasters for which the Town either carries commercial insurance or participates in a public entity risk pool. Currently, the Town participates in a public entity risk pool sponsored by the Maine Municipal Association and the School Department participates in a public entity risk pool sponsored by the Maine School Management Association for workers' compensation coverage.

Based on the coverage provided by the pools, as well as coverage provided by commercial insurance purchased, the Town is not aware of any material actual or potential claim liabilities which should be recorded at June 30, 2015.

INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

During the course of normal operations, the Town has numerous transactions between funds including expenditures and transfers. Individual fund interfund receivables and payables balances and transfers at June 30, 2015 arising from these transactions were as follows:

	<u>Receivables</u>	<u>Payables</u>	<u>Net transfers in (out)</u>
General Fund	\$ -	189,482	40,776
Capital reserve funds	255,975	105,137	(49,069)
Nonmajor Special Revenue Fund:			
CDBG loan fund	-	17,099	-
Recreation	3,311	-	-
Comprehensive plan	10,114	-	-
School categorical programs	-	12,185	-
School lunch	11,803	-	20,000
Adult education	-	4,563	6,693
Proprietary Fund	51,063	-	(18,400)
Nonmajor Permanent Funds	-	3,800	-
Totals	\$ 332,266	332,266	-

TOWN OF MILLINOCKET, MAINE
Notes to Basic Financial Statements, Continued

SIGNIFICANT TAXPAYERS

For the year ended June 30, 2015, the Town of Millinocket committed taxes of \$1,305,218 from Katahdin Paper Co. (KP), \$1,051,536 from Great Lakes Hydro and \$127,455 for Specialty Minerals, Inc. in real estate and personal property tax revenue. These commitments represent approximately 39.67% of total property taxes assessed. As of June 30, 2015, \$305,218 committed to KP was abated per an agreement and the balance of \$1,000,000 remained outstanding.

TAX INCREMENT FINANCING DISTRICT

The Town has established the Katahdin Paper (KP) Municipal Development District - tax increment financing district (TIF). The Town refunds the tax increment on 85% on the new captured assessed value of the property in this TIF District to KP for a period of fifteen years. For the year ended June 30, 2015, the TIF was dissolved and no refunds were paid or due to KP.

The Town has established the Specialty Minerals, Inc. (SMI) Credit Enhancement Agreement - tax increment financing district (TIF). The Town refunded the tax increment on 50% on the new captured assessed value of the property in this TIF District to SMI for a period of ten years, which ended in 2012. Pursuant to the Development Program, the Town shall retain as captured assessed value, 100% of increased assessed value until September 2016.

CONTINGENCIES

The Town is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Town's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the Town.

Grant Funds - Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Town expects such amounts, if any, to be immaterial.

LONG-TERM RECEIVABLE

In 2001, the Town, through the U.S. Department of Housing and Urban Development, made a 30-year, no interest loan to further economic activity within the Town. As required by accounting principles generally accepted in the United States of America, the no-interest loan of \$360,000 was discounted to its present value of \$133,960. The note is being amortized at the Town's rate of borrowing in 2001, at 3.3% each year to reflect its future value of \$360,000. At June 30, 2015, the value of note was:

<u>Year ended</u> <u>June 30,</u>	<u>Interest</u>	<u>Total</u>
Current balance	\$ 6,888	212,476
2016	7,119	219,595
2017	7,357	226,952
2018	7,604	234,556
2019	7,858	242,414
Thereafter	117,586	360,000

TOWN OF MILLINOCKET, MAINE
Notes to Basic Financial Statements, Continued

DEFERRED COMPENSATION PLAN

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

Assets of the plan are placed in trust for the exclusive benefit of participants and their beneficiaries. Accordingly, the assets and the liability for the compensation deferred by plan participants, including earnings on plan assets are not included in the Town's financial statements.

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

General Information about the Pension Plan

Plan Description - Employees of the Town are provided with pensions through the Maine Public Employees Retirement System Consolidated Plan for Local Participating Districts (PLD Plan) and teaching-certified employees of the School Department are provided with pensions through the Maine Public Employees Retirement System State Employee and Teacher Plan (SET Plan), cost-sharing multiple-employer defined benefit pension plans, administered by the Maine Public Employees Retirement System (MPERS). Benefit terms are established in Maine statute. MPERS issues a publicly available financial report that can be obtained at www.maineipers.org.

Benefits Provided - The PLD and SET Plans provide defined retirement benefits based on members' average final compensation and service credit earned as of retirement. Vesting (i.e. eligibility for benefits upon reaching qualification) occurs upon the earning of five years of service credit. In some cases, vesting occurs on the earning of one year of service credit immediately preceding retirement at or after normal retirement age. For PLD members, normal retirement age is 60 (65 for new members to the PLD Plan on or after July 1, 2014). For SETP members, normal retirement age is 60, 62, or 65. The normal retirement age is determined by whether a member had met certain creditable service requirements on specific dates, as established by statute. The monthly benefit of members who retire before normal retirement age by virtue of having at least 25 years of service credit is reduced by a statutorily prescribed factor for each year of age that a member is below her/his normal retirement age at retirement. MPERS also provides disability and death benefits, which are established by contract under applicable statutory provisions (PLD Plan) or by statute (SET Plan).

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

PLD Plan - Employees are required to contribute 7.0% of their annual pay. The Town's contractually required contribution rate for the year ended June 30, 2015 was 7.56% of annual payroll. Contributions to the pension plan from the Town were \$130,694 for the year ended June 30, 2015.

SET Plan - Maine statute requires the State to contribute a portion of the School Department's contractually required contributions. Employees are required to contribute 7.65% of their annual pay. The School Department's contractually required contribution rate for the year ended June 30, 2015, was 15.68% of annual payroll of which 2.65% of payroll was required from the School Department and 13.03% was required from the State. Contributions to the pension plan from the School Department were \$50,458 for the year ended June 30, 2015.

TOWN OF MILLINOCKET, MAINE
Notes to Basic Financial Statements, Continued

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM, CONTINUED

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

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

PLD Plan - At June 30, 2015, the Town reported a liability of \$671,257 for its proportionate share of the net pension liability. At June 30, 2014, the Town's proportion of the PLD Plan was 0.4362%.

SET Plan - At June 30, 2015, the School Department reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the School Department. The amount recognized by the School Department as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the School Department were as follows:

School Department's proportionate share of the net pension liability	\$ 190,840
State's proportionate share of the net pension liability associated with the School Department	<u>1,913,567</u>
Total	<u>\$ 2,104,407</u>

At June 30, 2014, the School Department's proportion of the SETP Plan was 0.0177%.

For the year ended June 30, 2015, the Town recognized pension expense (revenue) of (\$87,656) for the PLD Plan and \$218,684 for the SET plan and revenue of \$248,097 for support provided by the State for the SET Plan. At June 30, 2015, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 63,218	636
Changes of assumptions	8,762	-
Net difference between projected and actual earnings on pension plan investments	-	635,669
Changes in proportion and differences between Town contributions and proportionate share of contributions	23,093	53,914
Town contributions subsequent to the measurement date	<u>181,152</u>	<u>-</u>
Total	<u>\$ 276,225</u>	<u>\$ 690,219</u>

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM, CONTINUED

An amount of \$181,152 is reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liabilities in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (revenue) as follows:

Year ended June 30:

2016	\$ (140,206)
2017	(140,206)
2018	(155,816)
2019	(158,917)

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

	<u>PLD Plan</u>	<u>SET Plan</u>
Inflation	3.5%	3.5%
Salary Increases, per year	3.5% to 9.5%	3.5% to 13.5%
Investment return, per annum, compounded annually	7.25%	7.125%
Cost of living benefit increases, per annum	3.12%	2.55%

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

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

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

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

TOWN OF MILLINOCKET, MAINE
Notes to Basic Financial Statements, Continued

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM, CONTINUED

Discount Rate - The discount rate used to measure the total pension liability was 7.25% for the PLD Plan and 7.125% for the SET Plan. The projection of cash flows used to determine the discount rates assumed that employee contributions will be made at the current contribution rate and that contributions from participating local districts will be made at contractually required rates, actuarially determined. Based on these assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liabilities.

Sensitivity of the Town's Proportionate Share of the Net Pension Liabilities to Changes in the Discount Rate - The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.25% for the PLD Plan and 7.125% for the SET Plan, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25% for PLD Plan and 6.125% for SET Plan) or 1 percentage-point higher (8.25% for PLD Plan and 8.125% for SET Plan) than the current rate:

<u>PLD Plan</u>	1% Decrease (<u>6.25%</u>)	Current Discount Rate (<u>7.25%</u>)	1% Increase (<u>8.25%</u>)
Town's proportionate share of the net pension liability	\$ 2,094,125	\$ 671,257	(\$ 518,083)
 <u>SET Plan</u>	 1% Decrease (<u>6.125%</u>)	 Current Discount Rate (<u>7.125%</u>)	 1% Increase (<u>8.125%</u>)
School Department's proportionate share of the net pension liability	\$ 365,538	\$ 190,840	\$ 44,658

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

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

NEW PRONOUNCEMENTS AND RESTATEMENT OF NET POSITION

For the fiscal year ended June 30, 2015, the Town has elected to implement Statement No. 68 of the Governmental Accounting Standards Board – *Accounting and Financial Reporting for Pensions*, an amendment of GASB Statement No. 27. As a result of implementing GASB Statement No. 68, the Town has restated beginning net position in the government-wide statement of net position to account for the addition of the Town's proportionate share of the net pension liability of \$1,745,605 and deferred outflows for the Town's contributions subsequent to the measurement date of \$171,293, which effectively decreased the Town's net position as of July 1, 2014 by \$1,574,312.

TOWN OF MILLINOCKET, MAINE
Notes to Basic Financial Statements, Continued

OTHER POSTEMPLOYMENT BENEFITS

GASB Statement 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, 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 Town of Millinocket is a member of the Maine Municipal Employees Health Trust. The Health Trust contracted with an outside consultant to assist in the determination and valuation of the Town's OPEB liability under GASB Statement 45. An OPEB liability actuarial valuation was completed by the consultants in July 2015. The School Department is not part of the Health Trust and has contracted with its own outside consultant.

Plan Descriptions - The Town sponsors a post-retirement benefit plan providing health insurance to retiring employees. Currently, retirees are paying 100% of their health insurance premium. For those Town employees eligible for Medicare (post-65 Retiree Plan), the plan is offered in conjunction with Medicare Parts A and B and the Companion Plan B.

The School Department sponsors a post-retirement benefit plan providing health insurance to retiring employees. School Department employees over the age of 55 with 20-25 years of continuous service are allowed to participate in the plan. Some retirees that are designated in a plan pay 13% to 15% of the single coverage premium and 13% to 50% of the family coverage premium while others pay nothing towards the cost of coverage. For those School Department employees eligible for Medicare (post-65 Retiree Plan), the plan is offered in conjunction with Medicare Parts A and B and the Companion Plan B.

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

The following table represents the OPEB costs for the years ended June 30, 2015, 2014 and 2013 and the annual required contribution:

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Normal cost	\$ 47,198	65,151	80,316
Amortization of unfunded	820,986	960,920	972,704
Adjustment to ARC	(197,470)	(180,144)	(159,056)
<u>Interest</u>	<u>148,966</u>	<u>141,170</u>	<u>130,870</u>
Annual required contribution	\$ 819,680	987,097	1,024,834

Net OPEB Obligation - The Town's net OPEB obligation was calculated as follows:

OPEB liability, July 1	\$ 3,294,316	3,021,255	2,750,406
Annual required contribution	819,680	987,097	1,024,834
<u>Less: Actual contributions</u>	<u>(626,738)</u>	<u>(714,036)</u>	<u>(753,985)</u>
OPEB liability, June 30	\$ 3,487,258	3,294,316	3,021,255

TOWN OF MILLINOCKET, MAINE
Notes to Basic Financial Statements, Continued

OTHER POST EMPLOYMENT BENEFITS, CONTINUED

Funding Status and Funding Progress - The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the years ended June 30, 2015, 2014 and 2013 were as follows:

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Annual required contribution	\$ 819,680	987,097	1,024,834
Actual contribution	626,738	714,036	753,985
Percent contributed	76.46%	72.34%	73.57%
Actuarial accrued liability	14,244,060	16,760,594	17,492,837
Plan assets	-	-	-
Unfunded actuarial accrued liability	14,244,060	16,760,594	17,492,837
Covered payroll	3,785,245	3,986,953	4,347,748
Unfunded actuarial accrued liability as a percentage of covered payroll	376.30%	420.39%	402.34%

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

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

	<u>Town</u>	<u>School</u>
Actuarial valuation date	1/1/15	6/30/14
Actuarial cost method	Projected unit credit	Projected unit credit
Amortization method	Level dollar open	Level dollar
Remaining amortization period	30 years	28 years - closed
Actuarial assumptions:		
Investment rate of return	4.0%	4.0%
Projected salary increases	3.0%	N/A
Healthcare inflation rate	4.25%	5.0% - 9.0%

TOWN OF MILLINOCKET, MAINE
Required Supplementary Information

Schedule of Funding Progress
Retiree Healthcare Plan

Fiscal Year Ended	Town Actuarial Valuation Date	School Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) – Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
2009	1/1/09	1/1/09	\$ -	27,558,834	27,558,834	0.00%	4,841,847	569.18%
2010	1/1/09	1/1/09	-	27,558,834	27,558,834	0.00%	4,779,800	576.57%
2011	1/1/11	1/1/09	-	21,845,639	21,845,639	0.00%	4,556,656	479.42%
2012	1/1/11	1/1/12	-	17,789,340	17,789,340	0.00%	4,277,000	415.93%
2013	1/1/13	1/1/12	-	17,492,837	17,492,837	0.00%	4,347,748	402.34%
2014	1/1/13	6/30/14	-	16,760,594	16,760,594	0.00%	3,986,953	420.39%
2015	1/1/15	6/30/14	-	14,244,060	14,244,060	0.00%	3,785,245	376.30%

TOWN OF MILLINOCKET, MAINE
Required Supplementary Information, Continued

Schedule of Town's Proportionate Share of the Net Pension Liability
Maine Public Employees Retirement System Consolidated Plan (PLD) and
State Employee and Teacher Plan (SET)
Last 10 Fiscal Years*

	<u>2015**</u>
<u>PLD Plan</u>	
Town's proportion of the net pension liability	0.4362%
Town's proportionate share of the net pension liability	\$ 671,257
Town's covered-employee payroll	1,563,371
Town's proportion share of the net pension liability as a percentage of its covered-employee payroll	42.94%
Plan fiduciary net position as a percentage of the total pension liability	94.10%
 <u>SET Plan</u>	
School Department's proportion of the net pension liability	0.0177%
School Department's proportionate share of the net pension liability	\$ 190,840
State's proportionate share of the net pension liability associated with the School Department	1,913,567
 <u>Total</u>	 <u>\$ 2,104,407</u>
 Town's covered-employee payroll	 1,904,047
School Department's covered-employee payroll	
Town's proportion share of the net pension liability as a percentage of its covered-employee payroll	10.02%
Plan fiduciary net position as a percentage of the total pension liability	83.91%

* Only one year of information available

** The amounts presented for each fiscal year were determined as of the prior fiscal year.

TOWN OF MILLINOCKET, MAINE
Required Supplementary Information, Continued

Schedule of Town Contributions
Maine Public Employees Retirement System Consolidated Plan (PLD) and
State Employee and Teacher Plan (SET)
Last 10 Fiscal Years*

	<u>2015</u>	<u>2014</u>
<u>PLD Plan</u>		
Contractually required contribution	\$ 130,694	120,585
Contributions in relation to the contractually required contribution	(130,694)	(120,585)
<u>Contribution deficiency (excess)</u>	<u>\$ -</u>	<u>-</u>
Town's covered-employee payroll	1,563,371	1,630,911
Contributions as a percentage of covered- Employee payroll	8.36%	7.39%
<u>SET Plan</u>		
Contractually required contribution	\$ 50,458	50,708
Contributions in relation to the contractually required contribution	(50,458)	(50,708)
<u>Contribution deficiency (excess)</u>	<u>\$ -</u>	<u>-</u>
School Department's covered-employee payroll	1,904,047	1,913,819
Contributions as a percentage of covered- Employee payroll	2.65%	2.65%

** Only two years of information available*

TOWN OF MILLINOCKET, MAINE
Notes to Required Supplementary Information

Changes of Benefit Terms - None

Changes of Assumptions - The SET plan changed the discount rate from 7.25% in the 2013 valuation to 7.125% in the 2014 valuation.

GENERAL FUND

TOWN OF MILLINOCKET, MAINE
Comparative Balance Sheets - General Fund
June 30, 2015 and 2014

	2015	2014
ASSETS		
Cash and cash equivalents	\$ 2,929,857	1,795,004
Receivables:		
Accounts, net of allowance of \$45,000	567,874	588,143
Taxes receivable	1,449,485	2,545,011
Tax liens	143,522	144,487
Inventory	9,029	20,313
Total assets	\$ 5,099,767	5,092,958
LIABILITIES		
Cash overdraft	42,464	50,495
Accounts payable	263,402	1,320,615
Accrued wages and benefits	482,603	468,901
Interfund loans payable	189,482	282,926
Total liabilities	977,951	2,122,937
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes	1,500,400	1,102,400
Total deferred inflows of resources	1,500,400	1,102,400
FUND BALANCE		
Nonspendable - inventory	9,029	20,313
Restricted	64,082	41,829
Assigned - Town	804,823	125,931
Unassigned - School	(289,767)	(450,708)
Unassigned - Town	2,033,249	2,130,256
Total fund balance	2,621,416	1,867,621
Total liabilities, deferred inflows of resources, and fund balance	\$ 5,099,767	5,092,958

TOWN OF MILLINOCKET, MAINE
General Fund
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - Budgetary Basis
For the year ended June 30, 2015
(with comparative actual amounts for the year ended June 30, 2014)

	2015		Variance positive (negative)	2014 Actual
	Budget	Actual		
Revenues:				
Taxes:				
Property taxes	\$ 6,261,954	5,431,756	(830,198)	6,394,564
Less TIF financing	-	-	-	(1,085,667)
Excise taxes	607,000	717,804	110,804	702,843
Interest and lien costs	50,000	189,036	139,036	84,209
Total taxes	6,918,954	6,338,596	(580,358)	6,095,949
Licenses and permits	43,250	44,067	817	48,151
Intergovernmental:				
Education	3,136,209	3,138,051	1,842	2,794,955
Tree growth reimbursement	17,000	12,265	(4,735)	16,935
Veterans exemption reimbursement	8,000	9,936	1,936	8,468
General assistance	17,500	7,777	(9,723)	8,147
State revenue sharing	331,000	399,294	68,294	456,780
Snowmobile grant	68,000	59,414	(8,586)	64,414
Airport grant	-	87,845	87,845	462,672
Public safety grants	2,500	4,933	2,433	9,577
Homestead exemption reimbursement	195,841	195,841	-	203,277
BETE reimbursement	212,328	212,422	94	339,003
URIP - DOT road grant	47,000	43,504	(3,496)	47,432
Total intergovernmental	4,035,378	4,171,282	135,904	4,411,660
Tuition and other charges for services - education	309,883	212,161	(97,722)	409,901
Charges for services:				
Ambulance	357,311	368,462	11,151	414,264
Police	2,400	5,645	3,245	5,700
Library	8,000	11,639	3,639	8,198
Recreation	1,500	334	(1,166)	5,233
Total charges for services	369,211	386,080	16,869	433,395
Fees and fines:				
Fire fees/reimbursement	4,373	14,354	9,981	11,250
Total fees and fines	4,373	14,354	9,981	11,250
Unclassified:				
Rents - Town property	28,000	28,000	-	28,000
Cemeteries	20,000	21,925	1,925	20,925
Public works	18,000	19,356	1,356	21,520
Transfer station	160,846	140,695	(20,151)	151,496
Code enforcement	12,526	15,455	2,929	9,419
Assessing	8,800	-	(8,800)	7,283
Airport	102,500	108,825	6,325	104,183
Sale of property	30,000	15,685	(14,315)	42,288
Employee insurance reimbursement/refunds	-	7,140	7,140	12,720
KARE receipts (fiscal agent)	75,000	150,000	75,000	150,000
Unclassified - Town	20,230	198,982	178,752	166,024
Unclassified - School	25,000	63,405	38,405	48,157
Total unclassified	500,902	769,468	268,566	762,015
Investment earnings	100	58	(42)	55
Total revenues	12,182,051	11,936,066	(245,985)	12,172,376

TOWN OF MILLINOCKET, MAINE
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - Budgetary Basis - General Fund, Continued

	2015			2014 Actual
	Budget	Actual	Variance positive (negative)	
Expenditures:				
Current:				
General government:				
Town Manager and Council	\$ 139,338	136,479	2,859	135,924
Town Clerk and Tax Collector	117,886	109,045	8,841	113,857
Elections and registration	5,950	3,945	2,005	4,820
Assessing	38,153	35,074	3,079	34,537
Municipal building	70,338	65,625	4,713	70,916
Audit and bookkeeping	20,000	19,850	150	20,963
Town report	750	-	750	-
Legal services	67,000	140,600	(73,600)	73,118
Administration	46,350	72,087	(25,737)	48,599
Planning, code, development	26,609	27,901	(1,292)	27,417
Economic Development Committee	6,500	1,800	4,700	139,935
Total general government	538,874	612,406	(73,532)	670,086
Protection:				
Police department	415,216	356,173	59,043	406,259
DARE Program - donations	2,500	4,547	(2,047)	4,846
Fire department	236,753	209,667	27,086	208,213
Ambulance	322,870	326,264	(3,394)	330,891
Community services	453,600	464,349	(10,749)	458,958
Insurances	81,171	84,760	(3,589)	82,073
School crossing guards	-	-	-	7,259
Dog constable	11,179	10,907	272	9,305
Enforcement officials	2,000	1,875	125	2,000
Total protection	1,525,289	1,458,542	66,747	1,509,804
Town services:				
Public works administration	8,240	7,880	360	5,666
Transfer site	371,777	323,071	48,706	330,252
Street and road maintenance	553,342	491,873	61,469	611,086
Garage maintenance	29,650	28,699	951	25,372
Total Town services	963,009	851,523	111,486	972,376
Community services:				
Snowsled program	83,500	74,914	8,586	79,914
Public library	80,390	78,703	1,687	119,624
Library gifts and donations	3,000	1,464	1,536	1,946
KARE	75,000	128,795	(53,795)	132,438
Human resources/assistance	23,422	21,475	1,947	23,981
General assistance	35,000	11,165	23,835	18,396
Recreation	123,620	130,711	(7,091)	135,101
Airport	157,228	152,842	4,386	142,067
Cemeteries	29,347	21,610	7,737	20,718
Public health and welfare agencies	-	1,050	(1,050)	990
Total community services	610,507	622,729	(12,222)	675,175

TOWN OF MILLINOCKET, MAINE
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - Budgetary Basis - General Fund, Continued

	2015		Variance positive (negative)	2014 Actual
	Budget	Actual		
Expenditures, continued:				
Current, continued:				
Education	\$			
Total education	5,637,412	5,420,757	216,655	5,623,695
	5,637,412	5,420,757	216,655	5,623,695
Insurance and fringe benefits:				
Insurance and fringe benefits	842,411	795,103	47,308	978,789
Total insurance and fringe benefits	842,411	795,103	47,308	978,789
Unclassified:				
County tax	234,311	234,311	-	229,572
Total unclassified	234,311	234,311	-	229,572
Debt service:				
Town	218,038	215,983	2,055	214,941
Education	463,689	461,928	1,761	463,076
Total debt service	681,727	677,911	3,816	678,017
Capital outlay:				
Capital outlay - Town	1,088,016	455,373	632,643	97,777
Special capital improvements	15,000	94,392	(79,392)	486,518
Total capital outlay	1,103,016	549,765	553,251	584,295
Total expenditures	12,136,556	11,223,047	913,509	11,921,809
Excess (deficiency) of revenues over (under) expenditures	45,495	713,019	667,524	250,567
Other financing sources (uses):				
Overlay	(40,702)	-	40,702	-
Transfers in	21,900	67,469	45,569	136,409
Transfers out	(26,693)	(26,693)	-	(217,941)
Total other financing sources (uses)	(45,495)	40,776	86,271	(81,532)
Net change in fund balance - budgetary basis	-	753,795	753,795	169,035
Reconciliation to GAAP basis:				
Change in accrued teacher summer salaries		-		(53,264)
Net change in fund balance - GAAP basis		753,795		115,771
Fund balance, beginning of year		1,867,621		1,751,850
Fund balance, end of year	\$	2,621,416		1,867,621

ALL OTHER GOVERNMENTAL FUNDS

TOWN OF MILLINOCKET
Combining Balance Sheet
All Other Governmental Funds
June 30, 2015

	Special Revenue Funds	Permanent Funds	Total Other Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 58,334	2,237	60,571
Investments	-	38,972	38,972
Intergovernmental receivables	306,701	-	306,701
Notes, net of allowance of \$4.556	291,241	-	291,241
Inventory	14,914	-	14,914
Interfund loans receivable	25,228	-	25,228
Total assets	\$ 696,418	41,209	737,627
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	7,048	-	7,048
Unearned revenue	17,985	-	17,985
Accrued wages and benefits	235,582	-	235,582
Interfund loans payable	33,847	3,800	37,647
Total liabilities	294,462	3,800	298,262
Fund balances:			
Nonspendable	306,155	16,401	322,556
Restricted	114,146	21,008	135,154
Committed	13,425	-	13,425
Unassigned	(31,770)	-	(31,770)
Total fund balance	401,956	37,409	439,365
Total liabilities and fund balances	\$ 696,418	41,209	737,627

TOWN OF MILLINOCKET, MAINE
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
All Other Governmental Funds
For the year ended June 30, 2015

	Special Revenue Funds	Permanent Funds	Total Other Governmental Funds
Revenues:			
Gifts and donations	\$ 254	-	254
Intergovernmental	963,593	-	963,593
Charges for services	202,066	-	202,066
Interest revenue	9,375	4	9,379
Total revenues	1,175,288	4	1,175,292
Expenditures:			
Current:			
Protection	1,007	-	1,007
Education	866,226	-	866,226
Food services	288,583	-	288,583
Unclassified	(4,600)	1,146	(3,454)
Total expenditures	1,151,216	1,146	1,152,362
Excess (deficiency) of revenues over (under) expenditures	24,072	(1,142)	22,930
Other financing sources (uses):			
Transfers from other funds	26,693	-	26,693
Transfers to other funds	-	-	-
Total other financing uses	26,693	-	26,693
Net change in fund balances	50,765	(1,142)	49,623
Fund balances, beginning of year	351,191	38,551	389,742
Fund balances, end of year	\$ 401,956	37,409	439,365

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

TOWN OF MILLINOCKET, MAINE

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2015

(with comparative totals for June 30, 2014)

	CDBG Loan Fund	Recrea- tion	Compre- hensive Plan	Project Get- Alarmed	School Categorical Programs	School Lunch	Adult Education	Totals	
								2015	2014
ASSETS									
Cash and cash equivalents	\$ 37,420	-	-	16,638	-	4,276	-	58,334	50,58
Intergovernmental receivables	-	-	-	-	295,152	11,549	-	306,701	229,33
Notes, net of allowance of \$4,556	291,241	-	-	-	-	-	-	291,241	287,80
Inventory	-	-	-	-	-	14,914	-	14,914	12,45
Interfund loans receivable	-	3,311	10,114	-	-	11,803	-	25,228	26,89
Total assets	\$ 328,661	3,311	10,114	16,638	295,152	42,542	-	696,418	607,08
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	-	-	-	-	5,584	1,464	-	7,048	1,38
Unearned revenue	-	-	-	-	17,985	-	-	17,985	41,98
Accrued wages and benefits	-	-	-	-	225,113	10,469	-	235,582	175,25
Interfund loans payable	17,099	-	-	-	12,185	-	4,563	33,847	37,27
Total liabilities	17,099	-	-	-	260,867	11,933	4,563	294,462	255,89
Fund balances (deficit):									
Nonspendable	291,241	-	-	-	-	14,914	-	306,155	300,26
Restricted	20,321	-	-	16,638	61,492	15,695	-	114,146	75,91
Committed	-	3,311	10,114	-	-	-	-	13,425	13,42
Unassigned	-	-	-	-	(27,207)	-	(4,563)	(31,770)	(38,42)
Total fund balances (deficit)	311,562	3,311	10,114	16,638	34,285	30,609	(4,563)	401,956	351,19
Total liabilities and fund balances	\$ 328,661	3,311	10,114	16,638	295,152	42,542	-	696,418	607,08

TOWN OF MILLINOCKET, MAINE
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the year ended June 30, 2015
(with comparative totals for the year ended June 30, 2014)

	CDBG Loan Fund	Recreation	Comprehensive Plan	Project Get- Alarmed	School Categorical Programs	School Lunch	Adult Education	Totals	
								2015	2014
Revenues:									
Gifts and donations	\$ -	-	-	254	-	-	-	254	160
Intergovernmental	-	-	-	-	771,820	191,773	-	963,593	908,819
Interest income	9,372	-	-	3	-	-	-	9,375	8,109
Charges for services	-	-	-	-	126,112	75,954	-	202,066	208,728
Total revenues	9,372	-	-	257	897,932	267,727	-	1,175,288	1,125,816
Expenditures:									
Current:									
Protection	-	-	-	1,007	-	-	-	1,007	1,013
Education	-	-	-	-	859,533	-	6,693	866,226	822,446
Food services	-	-	-	-	-	288,583	-	288,583	333,871
Bad debt expense (recovery)	(4,600)	-	-	-	-	-	-	(4,600)	3,000
Total expenditures	(4,600)	-	-	1,007	859,533	288,583	6,693	1,151,216	1,160,330
Excess (deficiency) of revenues over (under) expenditures	13,972	-	-	(750)	38,399	(20,856)	(6,693)	24,072	(34,514)
Other financing sources (uses):									
Transfers from other funds	-	-	-	-	-	20,000	6,693	26,693	21,693
Transfers to other funds	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	20,000	6,693	26,693	21,693
Net change in fund balances	13,972	-	-	(750)	38,399	(856)	-	50,765	(12,821)
Fund balances (deficit), beginning of year	297,590	3,311	10,114	17,388	(4,114)	31,465	(4,563)	351,191	364,012
Fund balances (deficit), end of year	\$ 311,562	3,311	10,114	16,638	34,285	30,609	(4,563)	401,956	\$51,191

TOWN CAPITAL RESERVE FUNDS

NONMAJOR GOVERNMENTAL FUNDS

PERMANENT FUNDS

TOWN OF MILLINOCKET, MAINE
Combining Balance Sheet
Nonmajor Permanent Funds
June 30, 2015

		Cemetery Perpetual Care	Peluso Welfare Trust	Ministerial and School Fund	Totals
ASSETS					
Cash and cash equivalents	\$	-	2,237	-	2,237
Investments		4,241	13,087	21,644	38,972
Total assets	\$	4,241	15,324	21,644	41,209
LIABILITIES AND FUND BALANCES					
Liabilities:					
Interfund loans payable		-	-	3,800	3,800
Total liabilities		-	-	3,800	3,800
Fund balances:					
Nonspendable		1,401	4,000	11,000	16,401
Restricted		2,840	11,324	6,844	21,008
Total fund balances		4,241	15,324	17,844	37,409
Total liabilities and fund balances	\$	4,241	15,324	21,644	41,209

TOWN OF MILLINOCKET, MAINE
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Permanent Funds
For the year ended June 30, 2015

	Cemetery Perpetual Care	Peluso Welfare Trust	Ministerial and School Fund	Totals
Revenues:				
Investment income	\$ -	2	2	4
Donations	-	-	-	-
Total revenues	-	2	2	4
Expenditures:				
Current:				
Other miscellaneous	-	-	1,146	1,146
Total expenditures	-	-	1,146	1,146
Net change in fund balances	-	2	(1,144)	(1,142)
Fund balances, beginning of year	4,241	15,322	18,988	38,551
Fund balances, end of year	\$ 4,241	15,324	17,844	37,409