

TOWN OF YORK, MAINE

Annual Financial Report

For the Fiscal Year Ended June 30, 2016

TOWN OF YORK, MAINE
Annual Financial Report
For the Year Ended June 30, 2016

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Independent Auditor's Report

Board of Selectmen
Town of York, Maine

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of York, Maine as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Town of York, Maine'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.

Board of Selectmen
Town of York, Maine

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 activities, each major fund, and the aggregate remaining fund information of the Town of York, Maine as of June 30, 2016, 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 Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of funding progress-retiree healthcare plan, the schedule of Town's proportionate share of the net pension liability, and the schedule of Town contributions, 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 York, Maine's basic financial statements. The combining and individual fund financial statements and schedules 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 and schedules 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 and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

Board of Selectmen
Town of York, Maine

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2016, on our consideration of the Town of York, 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 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 York, Maine's internal control over financial reporting and compliance.



December 29, 2016
South Portland, Maine

TOWN OF YORK, MAINE
Management's Discussion and Analysis
June 30, 2016

Our discussion and analysis of the Town of York, Maine's financial performance provides an overview of the Town's financial activities for the year ended June 30, 2016. Please read it in conjunction with the Town's financial statements, which begin on page 17.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 17 and 18) provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Fund financial statements start on page 19. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds. The remaining statements provide financial information about activities for which the Town acts solely as a trustee or agent for the benefit of those outside of the government.

REPORTING THE TOWN AS A WHOLE

The Statement of Net Position and the Statement of Activities

Our analysis of the Town as a whole begins on page 17. One of the most important questions asked about the Town's finances is, "Is the Town as a whole, better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the Town as a whole and about its activities in a way that helps answer this question. These statements include *all* assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

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

In the Statement of Net Position and the Statement of Activities, we divide the Town into two kinds of activities:

Governmental activities - Most of the Town's basic services are reported here, including the police, fire, general administration, roads, parks, and beaches. Property taxes, auto excise taxes, franchise fees, fines, parking revenues, state revenue sharing, and state and federal grants finance most of these activities.

Business-type activities - The Town charges a fee to customers to help it cover all or most of the cost of certain services it provides. The Town's Recreation, Sohier Park, Senior Center, Mt. Agamenticus, Goodrich Park, and Outside Duty activities are reported here.

REPORTING THE TOWN'S MOST SIGNIFICANT FUND FINANCIAL STATEMENTS

Our analysis of the Town's major funds begins on page 19. The fund financial statements begin on page 19 and provide detailed information about the most significant funds - not the Town as a whole. Some funds are required to be established by State law and by bond covenants. However, the Board of Selectmen establishes many other funds to help it control and manage money for particular purposes.

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

- **Governmental funds** - Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash.

The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in the reconciliation on page 21.

- **Proprietary funds** - When the Town charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the Town's enterprise fund is the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows.

Reporting the Town's Fiduciary Responsibilities

We exclude these activities from the Town's other financial statements because the Town cannot use these assets to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

THE TOWN AS A WHOLE

For the year ended June 30, 2016, net position changed as follows:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Current & other assets	\$ 18,823,256	23,537,821	605,435	554,167	19,428,691	24,091,988
Capital assets	68,319,411	65,832,041	247,843	269,408	68,567,254	66,101,449
Total assets	87,142,667	89,369,862	853,278	823,575	87,995,945	90,193,437
Deferred outflows of resources	2,389,427	1,255,730	-	-	2,389,427	1,255,730
Long-term liabilities	34,601,491	36,079,941	-	-	34,601,491	36,079,941
Other liabilities	3,963,294	4,316,054	65,136	88,682	4,028,430	4,404,736
Total liabilities	38,564,785	40,395,995	65,136	88,682	38,629,921	40,484,677
Deferred inflows of resources	448,721	2,011,597	-	-	448,721	2,011,597
Net position:						
Net investment in capital assets	44,556,492	40,948,288	247,843	269,408	44,804,335	41,217,696
Restricted	1,129,611	645,254	-	-	1,129,611	645,254
Unrestricted	4,832,485	6,624,458	540,299	465,485	5,372,784	7,089,943
Total net position	\$ 50,518,588	48,218,000	788,142	734,893	51,306,730	48,952,893

These numbers reflect an increase in net position of 4.77% percent for governmental activities and an increase of 7.25% for business-type activities (see page 23-25 for details).

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

Governmental Activities

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

General Government	Charges for photocopies, maps, plumbing permits, shoreland permits, cable TV franchise fees, gas tax refund, reimbursements, clerk fees, a portion of parking meter and permit receipts, parking ticket receipts
Public Safety	Mooring receipts, police reports, dispatch services agreement with Ogunquit, PSAP (Public Safety Answering Point) fees from other surrounding towns, COPS grants, other grants, dog license fees and an agreement with York Hospital to provide officers on a regular basis
Public Works	Urban/Rural Initiative program, FEMA reimbursements, other state grants to improve certain street intersections.
Community Services	Recreation, General Assistance, and Library
Boards and Commissions	Shellfish licenses
Education	Food service, grants, state subsidy

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

Net Expense

Function/ Program	Expenses		Revenues		Net Expense	
	2016	2015	2016	2015	2016	2015
General Government	\$ 5,583,620	\$ 7,085,627	815,773	796,957	4,767,847	6,288,670
Public Safety	6,637,063	6,415,568	790,758	727,105	5,846,305	5,688,463
Public Works	5,884,956	5,507,186	670,013	478,614	5,214,943	5,028,572
Parks and Recreation	1,143,893	1,024,942	78,126	52,723	1,065,767	972,219
Public Assistance	368,375	373,152	42,997	37,008	325,378	336,144
Education and Libraries	32,878,437	31,499,139	5,215,078	5,135,507	27,663,359	26,363,632
Interest on long-term debt	430,985	730,111	-	-	430,985	730,111
Total Government Activities	<u>\$ 52,927,329</u>	<u>52,635,725</u>	<u>7,612,745</u>	<u>7,227,914</u>	<u>45,314,584</u>	<u>45,407,811</u>

The net expense is the financial burden that was placed on the taxpayers by each of these functions. Approximately \$7.6 million dollars' worth of activity was paid by grants, user fees, parking tickets and meter revenues and fees other than taxes.

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

Public Safety revenues derive from dispatching services provided to neighboring towns as well as public safety grants. Rural roads subsidies make up the bulk of the Public Works revenues, in addition to reimbursements for some paving projects, mostly from the local water and sewer districts, as well as reimbursements for recycling materials.

General Government expenses decreased by \$1.5 million primarily due to less in uncapitalized capital outlay this year and the change in net pension liability.

Education and Libraries' share of net expense is still the largest percentage at 61%, followed by Public Safety at 13%, General Government at 11%, and Public Works at 12%.

In an effort to reduce the net expense to taxpayers, there has been a concerted effort to institute user fees as appropriate. To that end, 'impact fees' were imposed years ago on residential dwelling units to help defray the debt service costs of new school buildings. \$181,900 in impact fees were collected by the Town and transferred to the school to offset costs. By ordinance, building permit fees are used to greatly reduce the impact on taxpayers by the Community Development Department (Code, Planning, and Geographic Information Services). Several full time positions in that department are funded by fees, saving the taxpayers almost \$300,000 this year, while delivering desired services in the area of inspections and GIS mapping and data collection.

THE TOWN'S FUNDS

The following schedule presents a summary of General Fund revenues for the fiscal year ended June 30, 2016 with a comparison to 2015:

Revenues	FY 2016	Percent of	FY2015	Percent of
Taxes	\$ 46,707,059	88.37%	\$ 44,806,364	88.17%
Intergovernmental	3,768,047	7.13%	4,040,851	7.95%
Charges for Services	1,492,103	2.82%	996,355	1.96%
Licenses and Permits	344,087	0.65%	303,207	0.60%
Other	543,126	1.03%	671,924	1.32%
Total Revenues	\$ 52,854,422	100.00%	50,818,701	100.00%

Revenues from all sources increased 3.8% from the previous year. Tax revenues increased 4.5%. State Revenue sharing declined 6.2%. Investment interest income remains flat and low.

The following schedule presents a summary of expenditures for the fiscal year ended June 30, 2016:

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

The following schedule presents a summary of expenditures for the fiscal year ended June 30, 2016:

Expenditures	FY 2016	Percent of	FY 2015	Percent of
General Government	\$ 2,555,702	4.85%	\$ 2,478,776	4.84%
Public Safety	6,267,085	11.89%	6,050,009	11.82%
Public Works	4,546,829	8.63%	4,082,359	7.97%
Parks and Recreation	1,108,466	2.10%	999,340	1.95%
Public Assistance	368,375	0.70%	373,152	0.73%
Education and Library	29,772,708	56.50%	28,676,180	56.01%
Maine Pers on Behalf	1,868,480	3.55%	2,121,662	4.50%
County Tax	2,416,154	4.58%	2,386,313	4.66%
Unclassified	458,428	0.87%	599,596	1.17%
Capital Outlays	1,509,421	2.86%	731,713	1.43%
Interest on Long-term Debt	510,272	0.97%	650,211	1.27%
Principal Payment on Long-term and Debt & Bond Costs	1,317,483	2.50%	2,051,246	4.01%
Total Expenditures	\$ 52,699,403	100.00%	51,200,557	100.00%

Overall, expenditures increased 2.93%. The General Government expenditures' increase is typical of inflation and personnel-related cost increases. The principal payments on long-term debt decreased due as there were no new issuances and current year principal payments paid down outstanding balances. In addition, funding for Education and Library increased by 3.82%.

GENERAL FUND BUDGETARY HIGHLIGHTS

The taxpayers approved all of the municipal and school projects put before them on the ballot. The projects totaled \$12,032,000 and are listed on page 10. The Town's Standard and Poor's rating increased to AAA+.

Although a \$300,000 utilization of unassigned fund balance for the Town and \$200,000 for the School Department was approved by voters to reduce tax appropriations, the Town recorded a modest increase in GAAP fund balance for the year of \$80,808.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2016, the Town had \$68.3 million invested in capital assets for its governmental activities and \$247,843 in business-type activities, including substantial funding for paving and construction of town roads. The usual additions included police vehicles and computer equipment. This year's major additions included:

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

Dept	Category	Asset Name	Date Acquired	Cost
Education	Buildings Imps.	Village Elementary School Roof	11/30/2015	\$ 538,121
Public Safety	Building Imps.	York Beach Fire Dept. Energy Upgrade	8/31/2015	67,004
Education	CIP	Auditorium	N/A	521,327
Education	CIP	Security System Upgrade	N/A	162,445
Education	CIP	Village Elementary Roof	N/A	328,165
IT	CIP	Channel 3/Cable TV Upgrade	N/A	35,348
Parks	CIP	Mt. A Trails System	N/A	240,785
Parks	CIP	Bog Road Complex Phase 2	N/A	71,841
Public Safety	CIP	Boat Landing	N/A	17,336
Public Safety	CIP	Connector Road	N/A	63,974
Public Safety	CIP	Police Building	N/A	1,331,017
Public Safety	CIP	York Beach Lighting	N/A	15,765
Public Works	CIP	Major Drainage	N/A	309,624
Public Works	CIP	Cider Hill Rebuild	N/A	179,433
Public Works	CIP	Main Street Rebuild/Drainage	N/A	270,415
Public Works	CIP	Bay Haven reclamation	N/A	149,029
Public Works	CIP	Mosley & Bank reclamation	N/A	3,406
Public Works	CIP	Airport Road reclamation	N/A	109,011
Public Works	CIP	York Village	N/A	113,208
Public Works	CIP	Long Sands Culverts	N/A	254,265
Parks	CIP	Long Sands Bath House	N/A	13,381
Education	Equipment	Network/Phone Upgrade	1/1/2016	199,833
General Gov't	Equipment	IQ 4490 scanner	2/24/2016	10,030
General Gov't	Equipment	Storage Area Network	6/30/2016	47,323
General Gov't	Equipment	Channel 3/Cable TV Upgrade	12/1/2015	58,914
Parks	Equipment	Walker Tractor/Mower	7/9/2015	12,170
Public Safety	Equipment	Dispatch Consoles	11/3/2015	10,000
Public Safety	Equipment	YBF Defibrillator	8/28/2015	23,544
Public Safety	Equipment	YBF Defibrillator	6/17/2016	21,730
Public Safety	Equipment	Livescan Fingerprint System	6/29/2016	27,321
Public Safety	Equipment	Yamaha outboard motors (2)	9/3/2015	14,914
Public Safety	Equipment	Mt. A Repeater Radio	4/15/2016	14,673
Public Works	Equipment	2016 Kubota Tractor/Mower Vin 51431	11/12/2015	121,058
Public Works	Equipment	Signboard	10/31/2015	13,695
Public Works	Infrastructure	Long Sands Culverts	6/30/2015	259,131
Parks	Land Improvements	Bog Road Parking Lot	12/15/2015	394,164
Parks	Vehicles	2011 GMC Sierra 1500 Vin 397192	7/9/2015	18,000
Parks	Vehicles	FY16 Ford Pickup VIN 7168	12/3/2015	28,646
Public Works	Vehicles	2016 International Plow Truck	10/29/2015	194,424
Public Safety	Vehicles	2016 Ford Interceptor Vin 01576	8/27/2015	31,706
Public Safety	Vehicles	2013 Explorer Vin 74560	8/31/2015	27,860
Public Safety	Vehicles	Yamaha Outboard Motor	10/10/2015	14,914
Public Safety	Vehicles	2016 Ford Explorer Vin 53907	12/7/2015	28,310
Public Safety	Vehicles	2016 Ford Explorer Vin 53906	12/8/2015	28,248
Public Safety	Vehicles	2016 Ford Explorer Vin 07318	2/19/2016	28,865
Public Safety	Vehicles	2016 Chevy Tahoe Vin262920	2/19/2016	32,378
Public Works	Vehicles	2010 International Sign Truck	7/9/2015	68,900
Public Works	Vehicles	2016 International Plow Truck	2/29/2016	87,000
				6,612,646

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

With the formation of a Capital Planning Committee, (which includes staff and board members) and a Tax Task Force Committee (which is comprised of citizens), a five-year capital plan is revised annually as necessary and submitted to the Board of Selectmen for its approval and sent on to the voters at the Budget Referendum in May of each year. The Tax Task Force had formulated dollar and percentage limit suggestions based on what it felt the taxpayers could bear and the Capital Planning Committee tries to work within those guidelines. It has been established that the Town has focused on school buildings for the last twenty years and the municipal buildings are in need of attention. Projects on the five-year capital plan include Recreation/Community Center, Auditorium, Town Hall Improvements, and Major Drainage along with road construction.

Long-term Obligations

At year-end, the Town had \$34,601,491 in outstanding debt and other liabilities, representing a net decrease of \$1,478,450:

Governmental Activities

	2016	2015
General obligation bonds	\$ 25,122,625	27,988,199
Note payable	434,694	652,040
Premium on bonds	133,531	141,119
Capital leases	3,553,363	3,764,766
Net pension liability	3,564,628	1,843,110
Other post-employment benefits	481,765	461,208
Accrued compensated absences	1,310,885	1,229,499
Total outstanding long-term liabilities	\$ 34,601,491	36,079,941

Bonds were not issued during FY16; however, In July 2016, an issuance in the amount of \$12,032,000 took place. The projects included:

Parks Pickup	\$ 34,000
Parks Used Pickup	18,000
DPW Plow Truck	205,000
DPW Bucket Sign Truck	94,000
York High School Auditorium	10,465,000
School Security Upgrades	164,000
Mt. Agamenticus Trail Phase 2	60,000
Mt. Agamenticus Trail Phases 3 & 4	159,000
Bog Road Recreation Complex	150,000
School IT Upgrades	200,000
Town IT Upgrades	225,000
York Fire Defibrillator	24,000
York Fire 2 Outboard Motors	15,000
Public Safety PSAP Equipment	42,000
Public Safety Dispatch Equipment	177,000
TOTAL	\$ 12,032,000

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

Pursuant to GASB 45, actuaries have calculated the Town's liability with respect to Other Postemployment Benefits. The Town offers limited postemployment benefits, including life insurance (for Maine State Retirees) and the privilege of remaining on the Town's health insurance plan. The Town does not fund this liability but rather is on a pay-as-you-go basis.

Tax Increment Financing

In the past, the voters approved an article that designates a portion of 'downtown' York Beach as a TIF district. The TIF provides funding for design, traffic studies and to fund public infrastructure improvements such as sidewalks and roadways within the boundaries of the TIF district. It is designed as a twenty-year program and could allocate significant resources to this area of Town known as York Beach. The first funds, in the amount of \$113,928 were made available with the May 2009 Budget Referendum. The major focus is on infrastructure in the Short Sands Beach area of York Beach to improve drainage and other small infrastructure projects. Due to the structure of the TIF, funds in the amount of \$1,824 were allocated from the FY 15 tax appropriations.

Business-type Activities

The Town operates a number of enterprise funds, designed to be mostly self-sustaining through user fees and grants. All funds are designed to maintain some activity or capital assets and are not intended to amass large net position.

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

Business-type Activities - Enterprise Funds							
	Recreation	Mt. Agamenticus	Sohier Park	Outside Duty	Goodrich Park	Senior Center	Totals
Operating revenues:							
User fees	\$ 499,669	-	-	85,346	-	239,376	824,391
Sponsorships/memberships	66,608	-	-	-	-	14,725	81,333
Gift shop sales	-	-	463,604	-	-	-	463,604
Rental income	-	52,412	-	-	6,600	-	59,012
Donations	-	40,498	435	-	7,000	7,166	55,099
Other	-	-	-	-	11,395	6,745	18,140
Total operating revenues	566,277	92,910	464,039	85,346	24,995	268,012	1,501,579
Operating expenses:							
Cost of goods	-	-	225,560	-	-	49,402	274,962
Salaries and benefits	257,715	39,125	83,366	72,567	-	6,355	459,128
Training, meetings & travel	5,351	420	713	-	-	-	6,484
Maintenance	85	2,287	-	-	4,279	874	7,525
Office expenses	26,756	2,953	3,784	-	-	4,802	38,295
Supplies	65,977	12,816	14,503	-	1,625	10,161	105,082
Contracts	184,625	6,924	17,715	-	700	164,139	374,103
Utilities	-	2,163	182	-	-	633	2,978
Fuel	2,204	-	-	-	-	1,870	4,074
Depreciation	-	-	5,070	-	-	16,495	21,565
Other	-	-	-	-	-	-	-
Total operating expenses	542,713	66,688	350,893	72,567	6,604	254,731	1,294,196
Operating income	23,564	26,222	113,146	12,779	18,391	13,281	207,383
Transfers in (out)	-	(545)	(160,315)	6,726	-	-	(154,134)
Change in net position	23,564	25,677	(47,169)	19,505	18,391	13,281	53,249
Total net position, beg. of year	159,655	23,675	350,206	25,973	2,805	172,579	734,893
Total net position, end of year \$	183,219	49,352	303,037	45,478	21,196	185,860	788,142

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

The Town's Enterprise Funds

The **Recreation Enterprise** is funded primarily by user fees with a heavy participation by 'sponsors', local businesses who sponsor teams participating in the various programs. With the exception of the 1.5 full time positions that are funded by the General Fund, this program is self-sustaining with respect to all the other costs such as instructors, coaches, supplies, and transportation.

It is the goal of the administration to make programs as affordable and accessible to as many citizens as are interested, made possible, in part by some generous donors who sponsor 'scholarships'. The Recreation Department offers programs for all ages – children through senior citizens, including soccer, tai chi, photography, dance, and everything in between.

The **Mt. Agamenticus Enterprise Fund** was established to maintain the summit of Mt. Agamenticus which includes an education center in the lodge, viewing areas, trails, and grounds. Revenues are generated through tower rentals, donations, and viewer fees.

The **Sohier Park Enterprise Fund** was established to maintain Sohier Park and the Cape Neddick Light Station viewable from the beaches (also known as the Nubble Lighthouse). The gift shop in the park sells trinkets and collectibles and generates sufficient revenue to maintain the park and make substantial repairs to the light station, the island, and Sohier Park.

Net income from the Gift Shop receipts is transferred to a Sohier Park Maintenance Reserve Fund, which is responsible for the repairs and maintenance of the park and the Light Station. This important national landmark and nearby park are maintained with no taxpayer dollars except for capital improvements, which included a recent roof replacement for the lightkeeper's house.

Improved systems and focused management have resulted in substantial revenue increases, allowing for more funding of park improvements and maintenance. There are plans for expansion to the gift shop to provide for more retail space, as well as more restrooms for the park.

The Grant House at Goodrich Park is a wonderful community building restored by a volunteer group. It currently houses the Parks and Recreation offices and is used by community groups for meetings. The revenue from the upstairs apartment offsets some of the costs of maintaining the Grant House and Barn.

An account for **Outside Duty** was established to handle the demand for police and fire services outside the normal responsibilities. Outside entities such as the water and sewer districts might hire an officer to handle traffic around the job site. Billing rates are set to cover the costs of the officer, some administration of the program and the use of a cruiser or fire truck, if necessary. The revenues generated by administration and vehicle usage are transferred to the public safety accounts, to offset those expenses.

The **Senior Center Enterprise Fund** includes a Senior Transportation program which was established in 2004 in response to a need. The Town partially funded the program through tax appropriations and donations covered the rest. That program and its funding was eliminated, but there are trips offered to citizens and other smaller programs available that are funded by the user. A very generous donation was received in FY13 to cover a bus to provide transportation for many of the trips which will make a big difference in what is offered and how it is funded.

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The economy as a whole seems to be experiencing an upturn in terms of development. State funding continues to be a concern and a factor in budgeting and spending. York is not as susceptible to fluctuations as are some communities, but nevertheless, oil prices and other economic factors can have an impact on the Town's citizens. Balancing that concern with the need for major building and infrastructure improvements tasks the Town's management to be creative and frugal in its budgeting and proposals.

The Assessor continues to use his extensive resources to keep values within the 90-100% range as dictated by state statute. All classes of real estate have seen a healthy rebound in sales over the last three years, with market value steadily increasing. Tourism still continues to be a major industry in the Town of York. The FY 2017 assessment valuations as of April 1, 2016, rose 2.87% from the previous year.

Fiscal Year	Total Valuation	Valuation Increase/ (Decrease)	Total Tax Bills	Tax Bill Increase	Mil Rate
2005	\$2,805,191,350	0.40%	24,545,424	-9.44%	\$8.75
2006	3,197,719,520	13.99%	27,052,707	10.21%	\$8.46
2007	3,465,999,200	8.39%	28,213,233	4.29%	\$8.14
2008	3,988,361,710	15.07%	32,305,703	14.51%	\$8.10
2009	4,082,626,820	2.36%	33,722,497	4.39%	\$8.26
2010	4,019,248,550	-1.55%	34,485,152	2.26%	\$8.58
2011	3,951,774,450	-1.68%	35,961,240	4.28%	\$9.10
2012	3,893,577,155	-1.47%	36,404,946	1.23%	\$9.35
2013	3,834,685,364	-1.51%	38,193,466	4.90%	\$9.96
2014	3,840,653,382	0.15%	40,058,015	4.88%	\$10.43
2015	3,915,250,959	1.94%	41,893,185	4.58%	\$10.70
2016	3,951,970,310	0.94%	43,471,673	3.77%	\$11.00

York will see a mil rate increase in the amount of \$.30/\$1,000 assessed valuation for FY 17. Those closest to the water see that property valuation translates to larger tax bills, yet there are segments of the population for which tax bills decrease each year. After several years of declining total valuation, this year again shows some signs of recovery of values which had declined modestly compared to some areas of the country.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town Manager's Office at 186 York Street, York, Maine, or by phone at (207)363-1000.

BASIC FINANCIAL STATEMENTS

TOWN OF YORK, MAINE
Statement of Net Position
June 30, 2016

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 16,752,974	2,450	16,755,424
Receivables:			
Accounts	169,488	2,683	172,171
Intergovernmental	676,930	-	676,930
Taxes	1,514,866	-	1,514,866
Prepaid expenses	195,271	-	195,271
Inventory	26,177	87,852	114,029
Internal balances	(512,450)	512,450	-
Capital assets not being depreciated	17,596,463	-	17,596,463
Capital assets being depreciated, net	50,722,948	247,843	50,970,791
Total assets	87,142,667	853,278	87,995,945
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	2,389,427	-	2,389,427
Total deferred outflows of resources	2,389,427	-	2,389,427
LIABILITIES			
Accounts payable and other liabilities	1,548,778	48,000	1,596,778
Accrued payroll	2,206,517	17,136	2,223,653
Unearned revenue	13,040	-	13,040
Accrued interest payable	194,959	-	194,959
Noncurrent liabilities:			
Due within one year	2,900,124	-	2,900,124
Due in more than one year	31,701,367	-	31,701,367
Total liabilities	38,564,785	65,136	38,629,921
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to pensions	448,721	-	448,721
Total deferred inflows of resources	448,721	-	448,721
NET POSITION			
Net investment in capital assets	44,556,492	247,843	44,804,335
Restricted for:			
Permanent fund principal - nonexpendable	20,529	-	20,529
Permanent fund earnings - expendable	25	-	25
Education	921,217	-	921,217
Grants	187,840	-	187,840
Unrestricted	4,832,485	540,299	5,372,784
Total net position	\$ 50,518,588	788,142	51,306,730

See accompanying notes to basic financial statements.

TOWN OF YORK, MAINE
Statement of Activities
For the year ended June 30, 2016

Functions/programs	Expenses	Program Revenues			Net (expense) revenue and changes in net position		
		Charges for services	Operating grants and contributions	Capital grants and contributions	Primary Government		Total
					Governmental activities	Business-type activities	
Primary government:							
Governmental activities:							
General government	\$ 5,583,620	763,279	52,494	-	(4,767,847)	-	(4,767,847)
Public safety	6,637,063	721,703	69,055	-	(5,846,305)	-	(5,846,305)
Public works	5,884,956	454,003	473	215,537	(5,214,943)	-	(5,214,943)
Parks and recreation	1,143,893	24,117	19,009	35,000	(1,065,767)	-	(1,065,767)
Public assistance	368,375	-	42,997	-	(325,378)	-	(325,378)
Education and libraries	32,878,437	932,297	4,171,891	110,890	(27,663,359)	-	(27,663,359)
Interest on debt	430,985	-	-	-	(430,985)	-	(430,985)
Total governmental activities	52,927,329	2,895,399	4,355,919	361,427	(45,314,584)	-	(45,314,584)
Business-type activities:							
Recreation	542,713	566,277	-	-	-	23,564	23,564
Mt. Agamenticus	66,688	52,412	40,498	-	-	26,222	26,222
Sohier Park	350,893	463,604	435	-	-	113,146	113,146
Outside Duty	72,567	85,346	-	-	-	12,779	12,779
Goodrich Park	6,604	6,600	7,000	11,395	-	18,391	18,391
Senior Center	254,731	260,846	7,166	-	-	13,281	13,281
Total business-type activities	1,294,196	1,435,085	55,099	11,395	-	207,383	207,383
Total primary government	\$ 54,221,525	4,330,484	4,411,018	372,822	(45,314,584)	207,383	(45,107,201)
General revenues:							
Property taxes, levied for general purposes					\$ 43,643,900	-	43,643,900
Motor vehicle excise taxes					3,172,285	-	3,172,285
Grants and contributions not restricted to specific programs:							
Homestead exemption					135,410	-	135,410
BETE reimbursements					2,707	-	2,707
State Revenue Sharing					306,748	-	306,748
Unrestricted investment earnings					174,923	-	174,923
Miscellaneous revenues					25,065	-	25,065
Transfers					154,134	(154,134)	-
Total general revenues and transfers					47,615,172	(154,134)	47,461,038
Change in net position					2,300,588	53,249	2,353,837
Net position - beginning					48,218,000	734,893	48,952,893
Net position - ending					\$ 50,518,588	788,142	51,306,730

See accompanying notes to basic financial statements.

TOWN OF YORK, MAINE
Balance Sheet
Governmental Funds
June 30, 2016

	General	Public Safety Building Capital Project	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 10,393,651	3,415,246	2,944,077	16,752,974
Receivables:				
Accounts	166,414	-	3,074	169,488
Intergovernmental	61,985	-	614,945	676,930
Taxes	1,514,866	-	-	1,514,866
Prepaid expenditures	195,271	-	-	195,271
Inventory	-	-	26,177	26,177
Interfund loans receivable	-	-	1,239,518	1,239,518
Total assets	\$ 12,332,187	3,415,246	4,827,791	20,575,224
LIABILITIES				
Accounts payable	881,161	55,937	362,624	1,299,722
Accrued payroll	2,181,545	-	24,972	2,206,517
Other liabilities	249,056	-	-	249,056
Unearned revenues	-	-	13,040	13,040
Interfund loans payable	934,412	14,141	803,415	1,751,968
Total liabilities	4,246,174	70,078	1,204,051	5,520,303
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	1,094,855	-	-	1,094,855
Total deferred inflows of resources	1,094,855	-	-	1,094,855
FUND BALANCES (DEFICITS)				
Nonspendable	195,271	-	20,529	215,800
Restricted	921,217	-	187,865	1,109,082
Committed	-	3,345,168	5,298,368	8,643,536
Assigned	2,126,974	-	-	2,126,974
Unassigned	3,747,696	-	(1,883,022)	1,864,674
Total fund balances	6,991,158	3,345,168	3,623,740	13,960,066
Total liabilities, deferred inflows of resources, and fund balances	\$ 12,332,187	3,415,246	4,827,791	

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.	68,319,411
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable in the funds.	1,094,855
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported in the funds:	
Bonds and notes payable	(25,557,319)
Capital leases	(3,553,363)
Premium on bonds	(133,531)
Accrued interest	(194,959)
Accrued compensated absences	(1,310,885)
Other post employment benefits	(481,765)
Net pension liability	(3,564,628)
Deferred inflows and outflows of resources related to pensions	1,940,706
	(32,855,744)

Net position of governmental activities **\$ 50,518,588**

See accompanying notes to basic financial statements.

TOWN OF YORK, MAINE
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2016

	General	Public Safety Building Capital Project	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 46,707,059	-	100,690	46,807,749
Licenses and permits	344,087	-	-	344,087
Intergovernmental	3,768,047	-	1,139,397	4,907,444
Charges for services	1,492,103	-	712,459	2,204,562
Donations	19,482	-	6,088	25,570
Interest income	167,250	-	7,673	174,923
Other	356,394	-	244,618	601,012
Total revenues	52,854,422	-	2,210,925	55,065,347
Expenditures:				
Current:				
General government	2,555,702	-	-	2,555,702
Public safety	6,267,085	-	43,975	6,311,060
Public works	4,546,829	-	9,387	4,556,216
Parks and recreation	1,108,466	-	-	1,108,466
Public assistance	368,375	-	-	368,375
Library	504,372	-	-	504,372
Education	29,268,336	-	1,992,002	31,260,338
County tax	2,416,154	-	-	2,416,154
MEPERS on behalf payments	1,868,480	-	-	1,868,480
Unclassified	458,428	-	90,549	548,977
Capital outlay	1,509,421	1,331,018	3,375,783	6,216,222
Debt service:				
Principal	1,317,483	-	68,331	1,385,814
Interest	510,272	-	-	510,272
Total expenditures	52,699,403	1,331,018	5,580,027	59,610,448
Excess (deficiency) of revenues over (under) expenditures	155,019	(1,331,018)	(3,369,102)	(4,545,101)
Other financing sources (uses):				
Lease proceeds	13,170	-	-	13,170
Transfers in	160,423	-	241,623	402,046
Transfers out	(247,804)	-	(108)	(247,912)
Total other financing sources (uses)	(74,211)	-	241,515	167,304
Net change in fund balances	80,808	(1,331,018)	(3,127,587)	(4,377,797)
Fund balances, beginning of year	6,910,350	4,676,186	6,751,327	18,337,863
Fund balances, end of year	\$ 6,991,158	3,345,168	3,623,740	13,960,066

See accompanying notes to basic financial statements.

TOWN OF YORK, 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, 2016

Net change in fund balances - total governmental funds (from Statement 4)	\$	(4,377,797)
<p>Amounts reported for governmental activities in the statement of activities (Statement 2) are different because:</p>		
<p>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 capital outlay (\$5,331,369) exceeded depreciation expense (\$2,829,952) and the loss on disposal of assets (\$14,047).</p>		
		2,487,370
<p>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 unavailable tax revenues.</p>		
		8,436
<p>Expenses in the statement of activities that do not consume current financial resources are not reported as expenses in the funds. These are the changes in other liabilities:</p>		
Net pension liability		(1,721,518)
Deferred inflows and outflows of resources related to the net pension liability		2,696,573
Other post employment benefits		(20,557)
Accrued compensated absences		(81,386)
Accrued interest payable		7,556
<p>The issuance of capital leases provide current financial resources to governmental funds, but capital leases increases long-term liabilities in the statement of net position. Repayment of lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount by which current year principal payments (\$224,573) exceed lease proceeds (\$13,170).</p>		
		211,403
<p>The bond and note issuances provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and note 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 principal payments (\$3,082,920) and amortization on the premium (\$7,588).</p>		
		3,090,508
Change in net position of governmental activities (see Statement 2)		\$ 2,300,588

See accompanying notes to basic financial statements.

TOWN OF YORK, MAINE
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the year ended June 30, 2016

	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Taxes	\$ 46,299,383	46,299,383	46,707,059	407,676
Licenses and permits	292,800	292,800	344,087	51,287
Intergovernmental	1,731,124	1,731,124	1,881,383	150,259
Charges for services	981,827	981,827	1,078,692	96,865
Other	516,704	516,704	523,580	6,876
Total revenues	49,821,838	49,821,838	50,534,801	712,963
Expenditures:				
Current:				
General government	2,615,890	2,654,529	2,554,724	99,805
Public safety	6,362,543	6,415,843	6,246,664	169,179
Public works	4,404,290	4,404,290	4,480,516	(76,226)
Parks and recreation	1,021,797	1,021,797	1,010,878	10,919
Public assistance	359,398	359,398	368,375	(8,977)
Library	504,373	504,373	504,372	1
Education:				
Regular instruction	12,429,294	12,736,594	12,736,500	94
Special education instruction	4,303,406	4,289,571	4,336,921	(47,350)
Career and technical education	12,673	12,508	11,741	767
Other instruction	1,266,385	1,226,285	1,226,190	95
Student and staff support	2,801,470	2,661,470	2,579,050	82,420
System administration	834,533	965,023	965,023	-
School administration	1,444,166	1,420,858	1,420,803	55
Transportation	1,107,271	1,080,771	1,080,713	58
Facilities maintenance	3,321,137	3,155,080	3,106,402	48,678
Other	78,171	69,746	63,040	6,706
Debt service	1,724,021	1,704,621	1,704,525	96
County tax	2,416,154	2,416,154	2,416,154	-
Unclassified	773,727	773,727	458,428	315,299
Capital outlay	652,000	1,559,734	1,478,023	81,711
Debt service	2,058,560	2,185,227	1,945,492	239,735
Total expenditures	50,491,259	51,617,599	50,694,534	923,065
Deficiency of revenues under expenditures	(669,421)	(1,795,761)	(159,733)	1,636,028
Other financing sources (uses):				
Use of fund balance	870,000	870,000	-	(870,000)
Carryforward balances	-	1,126,340	-	(1,126,340)
Appropriations for reserve accounts	(35,000)	(35,000)	(35,000)	-
Transfers to reserve accounts	-	-	(238,172)	(238,172)
Transfers from reserve accounts	-	-	149,256	149,256
Transfers in	-	-	160,423	160,423
Transfers out	(165,579)	(165,579)	(247,804)	(82,225)
Total other financing sources (uses)	669,421	1,795,761	(211,297)	(2,007,058)
Net change in fund balance - budgetary basis	-	-	(371,030)	(371,030)
Fund balance, beginning of year, budgetary basis			6,581,682	
Fund balance, end of year-budgetary basis			6,210,652	
Reconciliation to GAAP:				
Reimbursed repairs			(24,575)	
Prepaid debt service			158,166	
Change in reserves			318,247	
Net change in fund balance - GAAP basis			80,808	
Fund balance, beginning of year - GAAP basis			6,910,350	
Fund balance, end of year - GAAP basis	\$		6,991,158	

See accompanying notes to basic financial statements.

TOWN OF YORK, MAINE
Statement of Net Position
Proprietary Funds
June 30, 2016

Business-type Activities - Enterprise Funds		Nonmajor Enterprise Funds
ASSETS		
Current assets:		
Cash and cash equivalents	\$	2,450
Accounts receivable		2,683
Inventory		87,852
Interfund loan receivable		512,450
Total current assets		605,435
Noncurrent assets:		
Capital assets, net of depreciation		247,843
Total noncurrent assets		247,843
Total assets		853,278
LIABILITIES		
Accounts payable		48,000
Accrued payroll		17,136
Total liabilities		65,136
NET POSITION		
Net investment in capital assets		247,843
Unrestricted		540,299
Total net position	\$	788,142

See accompanying notes to basic financial statements.

TOWN OF YORK, MAINE
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the year ended June 30, 2016

Business-type Activities - Enterprise Funds		Nonmajor Enterprise Funds
Operating revenues:		
User fees	\$	824,391
Sponsorships/memberships		81,333
Gift shop sales		463,604
Rental income		59,012
Donations		55,099
Other		18,140
Total operating revenues		1,501,579
Operating expenses:		
Cost of goods sold		274,962
Salaries and benefits		459,128
Training, meetings, and travel		6,484
Maintenance		7,525
Office expenses		38,295
Supplies		105,082
Contracts		374,103
Utilities		2,978
Fuel		4,074
Depreciation expense		21,565
Total operating expenses		1,294,196
Operating income		207,383
Transfers in		
		6,726
Transfers out		
		(160,860)
Change in net position		53,249
Total net position, beginning of year		734,893
Total net position, end of year		\$ 788,142

See accompanying notes to basic financial statements.

TOWN OF YORK, MAINE
Statement of Cash Flows
Proprietary Funds
For the year ended June 30, 2016

Business-type Activities - Enterprise Funds		Nonmajor Enterprise Funds
Cash flows from operating activities:		
Receipts from customers and users	\$	1,509,142
Payments to suppliers		(849,573)
Payments to employees		(472,581)
Net cash provided by operating activities		186,988
Cash flows from non-capital financing activities:		
Transfers to other funds		(154,134)
Decrease in interfund loans		(32,754)
Net cash used in non-capital financing activities		(186,888)
Increase in cash		100
Cash, beginning of year		2,350
Cash, end of year	\$	2,450
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$	207,383
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense		21,565
Change in operating assets:		
Accounts receivable		7,563
Inventory		(25,978)
Change in operating liabilities:		
Accounts payable		(10,092)
Accrued payroll		(13,453)
Net cash provided by operating activities		186,988

See accompanying notes to basic financial statements.

TOWN OF YORK, MAINE
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2016

	Private- purpose Trust Funds			Agency Funds	Total
	Larry A. D'Entremont Scholarship	York Mentor Scholarship			
ASSETS					
Cash and cash equivalents	\$	8,991	5,726	113,272	127,989
Total assets		8,991	5,726	113,272	127,989
LIABILITIES					
Held for student groups		-	-	113,272	113,272
Total liabilities		-	-	113,272	113,272
NET POSITION					
Held in trust	\$	8,991	5,726	-	14,717

See accompanying notes to basic financial statements.

TOWN OF YORK, MAINE
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the year ended June 30, 2016

		Private- purpose Trust Funds	
		Larry A. D'Entremont Scholarship	York Mentor Scholarship
Additions:			
Donations	\$	-	1,300
Interest		6	44
Total additions		6	1,344
Deductions:			
Scholarships awarded		-	-
Total deductions		-	-
Change in net position		6	1,344
Net position, beginning of year		8,985	4,382
Net position, end of year	\$	8,991	5,726

See accompanying notes to basic financial statements.

TOWN OF YORK, MAINE
Notes to Basic Financial Statements

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Town of York conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the more significant of such policies:

Reporting Entity

In evaluating how to define the reporting entity for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit was made by applying the criteria set forth by accounting principles generally accepted in the United States of America. The criterion used 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. Based upon the application of these criteria, there are no potential component units that should be included as part of this reporting entity.

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 non-fiduciary 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 is 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.

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, except for the agency funds, which have no measurement focus. 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.

TOWN OF YORK, MAINE
Notes to Basic Financial Statements

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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

Those revenues susceptible to accrual are property taxes, interest, and charges for services. Other receipts and taxes become measurable and available when cash is received by the 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 Public Safety Building Capital Project Fund accounts for the bond proceeds and related capital expenditures for the construction of the public safety building.

Additionally, the Town reports the following Fiduciary Fund types:

Private-purpose Trust Funds are used to report the activity for bequests left for charitable payments of scholarship awards. These assets are held by the Town in a trustee capacity, whereby the original bequest is preserved as nonexpendable and the accumulated interest earnings are available to provide for educational awards.

Agency Funds are custodial in nature and do not present results of operations. The Town's agency funds consist of various school and student activity funds.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating 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 funds are charges to customers for sales and services; operating expenses include the cost of sales and services, and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

TOWN OF YORK, MAINE
Notes to Basic Financial Statements

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Cash and Cash Equivalents - Cash and cash equivalents are considered to be cash on hand, demand deposits and time deposits. Investments are stated at fair value. For statement of cash flow purposes, the Town considers cash and cash equivalents to be demand deposits, certificates of deposit with maturities of less than three months, and money market mutual funds.

Inventory - Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are generally recorded as expenditures when consumed rather than when purchased.

Interfund Loans Receivable/Payable - Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as interfund loans or as interfund advances (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Capital Assets - Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), 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 \$2,500 and an estimated useful life in excess of two years. 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.

Property, plant, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Land improvements	15-20 years
Buildings and building improvements	20-50 years
Equipment	3-15 years
Vehicles	3-15 years
Infrastructure	5-60 years

Deferred Outflows and Inflows of Resources - In addition to assets and liabilities, the statement of net position and balance sheet will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources. These separate financial statement elements, deferred outflows of resources and deferred inflows of resources, represent a consumption or acquisition of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) or inflow of resources (revenue) until that time. The governmental funds only report a deferred inflow of resources, 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 governmental activities have deferred outflows and inflows that 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.

TOWN OF YORK, MAINE
Notes to Basic Financial Statements

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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. 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.

Vacation and Sick Leave - Under terms of personnel policies and union contracts, vacation and sick leave are granted in varying amounts according to length of service and are accrued ratably over the year. Regular part-time employees receive vacation on a pro-rated basis. Accumulated vacation and sick time has been recorded as a liability in the government-wide statements.

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 are capitalized 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.

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 the 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 Plan. 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.

Interfund Transactions - Interfund services provided and used are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly chargeable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

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.

TOWN OF YORK, MAINE
Notes to Basic Financial Statements

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

- *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.

The Town voters have the responsibility for committing fund balance amounts by vote and likewise would be required to modify or rescind those commitments by a similar vote. For assigned fund balance amounts, the Town Manager has the authority to assign unspent budgeted amounts to specific purposes in the General Fund at year end. The Board of Selectmen approves the assigned amounts either before or after year end.

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 intent to use committed or assigned resources first, and then unassigned resources as they are needed.

Net Position - The net position amount represents the difference between assets, deferred outflows of resources, and liabilities and deferred inflows of resources. The net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds and capital leases payable and adding back any unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the Town or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The Town’s net investment in capital assets was calculated as follows at June 30, 2016:

	<u>Governmental activities</u>	<u>Business-type activities</u>
Capital assets	\$ 119,891,296	285,261
Accumulated depreciation	(51,571,885)	(37,418)
Unspent bond proceeds	5,046,600	-
Unamortized bond premium	(133,531)	-
Bonds payable	(25,122,625)	-
Capital leases	(3,553,363)	-
<u>Net investment in capital assets</u>	<u>\$ 44,556,492</u>	<u>247,843</u>

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.

BUDGETARY VS GAAP BASIS OF ACCOUNTING

As required by generally accepted accounting principles (GAAP), the Town has recorded a revenue and an expenditure for Maine Public Employees Retirement contributions made by the State of Maine on behalf of the School Department. These amounts have not been budgeted in the General Fund and result in a difference in reporting on a budgetary basis of accounting versus reporting under accounting principles generally accepted in the United States of America of \$1,868,480.

TOWN OF YORK, MAINE
Notes to Basic Financial Statements

BUDGETARY VS GAAP BASIS OF ACCOUNTING, CONTINUED

These amounts have been included as an intergovernmental revenue and as a retirement expenditure in the General Fund on Statement 4. There is no effect on the fund balance at the end of the year.

In addition, the Town did not budget for repairs that were covered by insurance proceeds prepaid debt service expenditures, and the activity in the reserve funds. The amounts have been shown as adjustments on Statement 6 and Exhibit A-2 to reconcile fund balance on the budgetary basis with fund balance on a GAAP basis. The repairs have been included in public works expenditures and the prepaid debt service has been included in debt service expenditures on Statement 4. The reserve fund activity has been included in various General Fund revenues and expenditures on Statement 4.

The Town has also budgeted as part of its fiscal year June 30, 2017 budget to utilize \$500,000 of its June 30, 2016 fund balance.

STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

The Town utilizes a formal budgetary accounting system to control revenues and expenditures. Budgets are established in accordance with the various laws which govern the Town's operations. For each of the funds for which a formal budget is adopted, the same basis of accounting is used to reflect actual revenues and expenditures recognized on the basis of accounting principles generally accepted in the United States of America.

Budgets are adopted for the General Fund only and are adopted on a basis consistent with generally accepted accounting principles (GAAP), except as noted above under "Budgetary vs. GAAP Basis of Accounting". The level of control (level at which expenditures may not exceed budget) is the Department. Generally, all unexpended budgetary accounts lapse at the close of the fiscal year. The Town Manager is authorized to transfer budgeted amounts within and among departments; however, any revisions that alter the total expenditures must be approved by the Board of Selectmen. Encumbrance accounting is not employed by the Town. The budgeted financial statements represented in this report reflect the final budget authorization, including all amendments.

B. Deficit Fund Balances/Net Position

At June 30, 2016, the following funds had deficit fund balances/net position:

Special Revenue Funds:	
School lunch fund	\$ 332,020
Adult education	47,611
School special revenues	91
Capital Project Funds:	
Parts truck	18,000
Heavy duty plow truck	201,185
Parts pick up	33,241
Mt. A phase 2	60,000
Mt. A phases 3 and 4	138,450
Town hall IT upgrades	150,679
Medical defibrillator	23,544
Bucket/sign truck	57,955

TOWN OF YORK, MAINE
Notes to Basic Financial Statements

STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, CONTINUED

Water rescue outboard motors	\$ 14,914
Bog Road complex phase 2	71,841
School projects – insured projects	8,802
School projects – auditorium	652,451
School projects	50,801

These fund deficits will be covered by future revenue sources or transfers from other funds.

C. Excess of Expenditures over Appropriations

For the year ended June 30, 2016, expenditures exceeded appropriations in the following areas:

Public works	\$ 76,226
Public assistance	8,977
Special education instruction	47,350

Expenditures in excess of appropriations will lapse to fund balance.

DEPOSITS

Custodial Credit Risk-Town Deposits: Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town's policy is to have its deposits covered by F.D.I.C. insurance or by additional insurance purchased on behalf of the Town by the respective banking institution.

As of June 30, 2016, the Town reported deposits of \$16,883,413, with a bank balance of \$16,049,128. None of the Town's bank balances were exposed to custodial credit risk as they were covered by FDIC or additional insurance purchased on behalf of the Town by the respective banking institutions.

Deposits have been reported as follows:

Reported in governmental funds	\$ 16,752,974
Reported in fiduciary funds	127,989
Reported in proprietary funds	2,450
Total deposits	\$ 16,883,413

PROPERTY TAX

The Town's property tax is levied on the assessed value listed as of the prior April 1 for all real and taxable personal property located in the Town. Assessed values are periodically established by the Assessor at 100% of the assumed market value. Each property must be reviewed no less than once every four years.

Property taxes were levied August 11, 2015 on the assessed values of real property as of April 1, 2015. Taxes were due September 25, 2015 and February 5, 2016. This assessed value of \$3,951,970,310 was 100% of the estimated market value and 99.38% of the 2016 state valuation of \$3,976,700,000.

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 \$255,837 for the year ended June 30, 2016.

TOWN OF YORK, MAINE
Notes to Basic Financial Statements

PROPERTY TAX, CONTINUED

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

The following summarizes the periods ended June 30, 2016 and 2015 levies:

	<u>2016</u>	<u>2015</u>
Assessed value	\$3,951,970,310	3,902,948,181
<u>Tax rate (per \$1,000)</u>	<u>11.00</u>	<u>10.70</u>
Commitment	43,471,673	41,756,465
<u>Supplemental taxes assessed</u>	<u>50,618</u>	<u>19,544</u>
	43,522,291	41,776,009
Less:		
<u>Collections and abatements</u>	<u>42,601,838</u>	<u>40,877,570</u>
<u>Receivable at June 30</u>	<u>\$ 920,453</u>	<u>898,439</u>
Due date(s)	9/25/15 2/5/16	9/19/14 2/6/15
Interest rate charged on delinquent taxes	7.00%	7.00%
Collection rate	97.89%	97.85%

CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2016 was as follows:

	Balance June 30, <u>2015</u>	<u>Increases</u>	<u>Decreases</u>	Balance June 30, <u>2016</u>
Governmental activities:				
Capital assets, not being depreciated:				
Construction in progress	\$ 3,758,557	4,193,283	(1,317,334)	6,634,506
<u>Land</u>	<u>10,956,342</u>	<u>5,615</u>	<u>-</u>	<u>10,961,957</u>
<u>Total capital assets, not being depreciated</u>	<u>14,714,899</u>	<u>4,198,898</u>	<u>(1,317,334)</u>	<u>17,596,463</u>
Capital assets, being depreciated:				
Land improvements	51,300	394,164	-	445,464
Buildings and building improvements	44,223,555	308,925	-	44,832,480
Equipment	3,614,782	598,335	(16,000)	4,197,117
Vehicles	6,933,491	589,250	(105,174)	7,417,567
<u>Infrastructure</u>	<u>45,143,074</u>	<u>259,131</u>	<u>-</u>	<u>45,402,205</u>
<u>Total capital assets being depreciated</u>	<u>99,966,202</u>	<u>2,449,805</u>	<u>(121,174)</u>	<u>102,294,833</u>

TOWN OF YORK, MAINE
Notes to Basic Financial Statements

CAPITAL ASSETS, CONTINUED

Less accumulated depreciation for:				
Land improvements	\$ 1,283	12,419	-	13,702
Buildings and building improvements	20,055,830	1,093,409	-	21,149,239
Equipment	2,783,305	209,533	(16,000)	2,976,838
Vehicles	5,373,368	376,400	(91,127)	5,658,641
Infrastructure	20,635,274	1,138,191	-	21,773,465
Total accumulated depreciation	48,849,060	2,829,952	(107,127)	51,571,885
Total capital assets being depreciated, net	51,117,142	(380,147)	(14,047)	50,722,948
Governmental activities capital assets, net	\$ 65,832,041	3,818,751	(1,331,381)	68,319,411

	Balance June 30, <u>2015</u>	<u>Increases</u>	<u>Decreases</u>	Balance June 30, <u>2016</u>
Business-type activities:				
Capital assets, being depreciated:				
Buildings and building improvements	\$ 202,785	-	-	202,785
Vehicles	82,476	-	-	82,476
Total capital assets being depreciated	285,261	-	-	285,261
Less accumulated depreciation for:				
Buildings and building improvements	7,605	5,070	-	12,675
Vehicles	8,248	16,495	-	24,743
Total accumulated depreciation	15,853	21,565	-	37,418
Total capital assets being depreciated, net	269,408	(21,565)	-	247,843
Business-type activities capital assets, net	\$ 269,408	(21,565)	-	247,843

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

Governmental activities:	
General government	\$ 87,989
Public safety	311,956
Public works, including depreciation of general infrastructure assets	1,328,740
Parks and recreation	35,427
Education and libraries	1,065,840
Total depreciation expense – governmental activities	\$ 2,829,952

Business-type activities:	
Sohier Park	\$ 5,070
Senior Center	16,495
Total depreciation expense – business-type activities	\$ 21,565

TOWN OF YORK, MAINE
Notes to Basic Financial Statements

INTERFUND LOAN BALANCES

The purpose of interfund loans is to charge revenues and expenditures to the appropriate fund when that activity is accounted for through the centralized checking account. The balances represent each fund's portion of the centralized checking account. Individual interfund loan receivable and payable balances at the year ended June 30, 2016 were as follows:

	<u>Interfund loans receivable</u>	<u>Interfund loans payables</u>
<u>General Fund</u>	\$ -	934,412
<u>Public Safety Building Capital Project</u>	-	14,141
Other Governmental Funds:		
Town Programs special revenue fund	236,365	-
School Lunch special revenue fund	-	351,683
Adult Education special revenue fund	-	58,494
School Special Revenue funds	-	390,083
Nonmajor capital project funds	1,003,153	-
Clark Emerson permanent fund	-	3,155
<u> Total Other Governmental Funds</u>	<u>1,239,518</u>	<u>803,415</u>
Enterprise Funds:		
Recreation	221,821	-
Mt. Agamenticus	56,054	-
Sohier Park	38,407	-
Outside Duty	43,868	-
Goodrich Park	21,196	-
Senior Center	131,104	-
<u> Total Proprietary Funds</u>	<u>512,450</u>	<u>-</u>
<u>Totals</u>	<u>\$ 1,751,968</u>	<u>1,751,968</u>

INTERFUND TRANSFERS

Interfund transfers consist of budgeted transfers to and from other funds to fund certain activities accounted for in those funds. Individual fund transfers for the year ended June 30, 2016 were as follows:

	<u>Transfers in</u>	<u>Transfers out</u>
<u>General Fund</u>	<u>\$ 160,423</u>	<u>247,804</u>
Other Governmental Funds:		
Town Programs special revenue funds	69,916	108
School Lunch special revenue fund	163,755	-
School Special revenue funds	6,241	-
Town nonmajor capital projects	1,711	-
<u> Total Other Governmental Funds</u>	<u>241,623</u>	<u>108</u>

TOWN OF YORK, MAINE
Notes to Basic Financial Statements

INTERFUND TRANSFERS, CONTINUED

Enterprise Funds:		
Mt. Agamenticus	\$	545
Sohier Park		160,315
Outside Duty	6,726	-
Total Enterprise Funds	6,726	160,860
Totals	\$ 408,772	408,772

CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2016 was as follows:

	Beginning <u>balance</u>	<u>Additions</u>	<u>Reductions</u>	Ending <u>balance</u>	Due within <u>one year</u>
Governmental activities:					
General obligation bonds	\$ 27,988,199	-	2,865,574	25,122,625	2,445,842
Notes payable	652,040	-	217,346	434,694	217,347
Premium on bonds	141,119	-	7,588	133,531	7,588
Total bonds and notes payable	28,781,358	-	3,090,508	25,690,850	2,670,777
Capital leases	3,764,766	13,170	224,573	3,553,363	229,347
Net pension liability	1,843,110	1,721,518	-	3,564,628	-
Other post-employment benefits	461,208	88,969	68,412	481,765	-
Accrued compensated absences	1,229,499	81,386	-	1,310,885	-
Total long-term liabilities	\$ 36,079,941	1,905,043	3,383,493	34,601,491	2,900,124

LONG-TERM DEBT

Bonds and Notes Payable

Bonds and notes payable at June 30, 2016 are comprised of the following:

	Originally <u>issued</u>	Date of <u>issue</u>	Date of <u>maturity</u>	Interest <u>rate</u>	<u>Balance</u>
Bonds and notes payable:					
Governmental activities:					
York Sewer District	\$ 313,593	6/3/2005	6/9/2019	1.30%	61,060
York Sewer District	11,409	9/23/2005	11/14/2019	0%	3,044
York County	1,086,733	6/30/2013	12/31/2017	1.73%	434,694
General Obligation Bond	3,524,000	11/1/2008	11/1/2028	4.0-5.0%	2,275,000
General Obligation Refunding	10,785,000	3/1/2010	3/1/2020	1.0-3.0%	4,005,000
General Obligation Refunding	8,624,500	7/1/2010	7/1/2020	2.0-3.8%	5,226,000
General Obligation Refunding	9,124,421	10/1/2011	9/1/2031	2.0-3.25%	7,044,421
General Obligation Bonds	3,644,100	8/1/2012	8/1/2033	1.0-2.4%	2,789,100
General Obligation Bonds	2,574,000	11/1/2013	11/1/2033	2.0-4.10%	2,139,000
General Obligation Bonds	1,085,000	2/1/2015	2/1/2035	2.0-3.25%	1,580,000
Total governmental activities					\$ 25,557,319

TOWN OF YORK, MAINE
Notes to Basic Financial Statements

LONG-TERM DEBT, CONTINUED

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

	<u>Principal</u>	<u>Interest</u>
2017	\$ 2,663,189	701,105
2018	3,023,460	633,249
2019	2,751,388	563,501
2020	2,385,761	494,841
2021	1,500,000	431,729
2022-2026	6,640,000	1,572,082
2027-2031	5,591,000	603,873
2032-2035	1,002,521	34,732
Totals	\$ 25,557,319	5,035,112

In accordance with 30 MRSA, Section 5061, as amended, no municipality shall incur debt for specified purposes in excess of certain percentages of state valuation of such municipality. Additionally, no municipality shall incur debt in the aggregate in excess of 15% of its state assessed valuation. At June 30, 2016, the Town's outstanding debt did not exceed these limits.

Notes Payable

During the fiscal year ended June 30, 2013, York County changed its fiscal year end and assessed county tax over a six-month interim period. The amount of tax assessed to the Town of York, Maine totaled \$1,086,733. The Town has an agreement with the County to pay the \$1,086,733 in five equal annual payments of \$217,346 plus interest of 1.73% starting on December 31, 2013 and ending December 31, 2017. As of June 30, 2016 and 2015, the Town's outstanding amount of the note payable to York County was \$434,694 and \$652,040, respectively.

OVERLAPPING DEBT

The Town is subject to an annual assessment of its proportional share of York County expenses, including debt repayment, as determined by the percentage of the Town's State valuation to the County's State valuation. For the year ended June 30, 2016, the Town's State valuation of \$3,976,700,000 was 13.31% of the County's State valuation of \$29,878,050,000. The Town's share is 13.31% or \$1,028,880 of York County's \$7,730,259 long-term debt outstanding at June 30, 2015 (the most recent information available).

TOWN OF YORK, MAINE
Notes to Basic Financial Statements

CAPITAL LEASES

The Town has entered into lease agreements as lessee for financing the acquisition of photocopiers, a tractor, a van, and school improvements. These leases qualify as capital leases for accounting purposes, and therefore, have been recorded at the present value of future minimum lease payments as of the date of its inception.

The following is a schedule of future minimum lease payments under the capital lease and the present value of the net minimum lease payment at June 30, 2016.

	Governmental Funds
2017	\$ 390,145
2018	349,773
2019	347,914
2020	344,681
2021	341,868
2022-2026	1,706,594
<u>2027-2031</u>	<u>1,384,159</u>
Total minimum lease payments	
<u>Less: amount representing interest</u>	<u>(1,311,771)</u>
Present value of future minimum lease payments	<u>\$ 3,553,363</u>

COMMITMENTS AND CONTINGENCIES

As of June 30, 2016, the Town has commitments for various, ongoing construction projects, including the public safety building, among others.

As of June 30, 2016, the School Department had an outstanding commitment with the contractor for the auditorium project, as well as other projects. Of the contracted amounts for the auditorium project, approximately \$8.7 million remained to be completed.

The York Town and School Department participate in a number of federally assisted grant programs. Although the programs have been audited in compliance with the Single Audit Act of 1984, as amended, these programs are subject to financial and compliance audits by the grantors or their representatives. The audits of these programs for, or including, the year ended June 30, 2016, have not yet been completed. Accordingly, the York Town and School Department's compliance with applicable grant requirements will be established at some future date. The amount, if any, of the expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the School Department expects such amounts, if any, to be immaterial.

TOWN OF YORK, MAINE
Notes to Basic Financial Statements

FUND BALANCE

At June 30, 2016, portions of the Governmental Funds fund balances consisted of the following:

	General <u>Fund</u>	Public Safety Building <u>Capital Project</u>	Other Governmental <u>Funds</u>
Nonspendable:			
Prepaid expenditures	\$ 195,271	-	-
Permanent fund principal	-	-	20,529
Total nonspendable	195,271	-	20,529
Restricted:			
School general fund	921,217	-	-
School special revenues	-	-	94,190
Adult education grants	-	-	12,050
York Beach TIF	-	-	15,662
Other Town grants and donations	-	-	65,938
Permanent fund income	-	-	25
Total restricted	921,217	-	187,865
Committed:			
Public Safety Building capital project fund	-	3,345,168	-
Mitchell - Airport Drive capital project fund	-	-	918,381
York Street capital project fund	-	-	334,791
Route 103 capital project fund	-	-	143,784
Connector Road capital project fund	-	-	1,408,537
Major drainage capital project fund	-	-	107,165
York Street/long sands	-	-	50,575
LS Bathhouse capital project fund	-	-	680,697
Cider Hill reconstruction capital project fund	-	-	222,817
Other Town capital project funds	-	-	147,966
York Beach reserve special revenue fund	-	-	336,395
Harbor dredge special revenue fund	-	-	437,379
Harbor/wharf special revenue fund	-	-	307,838
Performance accounts special revenue fund	-	-	147,897
Other Town special revenue funds	-	-	54,146
Total committed	-	3,345,168	5,298,368
Assigned:			
Future budgeted use of fund balance	\$ 500,000	-	-
Town budget carry forwards:			
Voting machines	21,911	-	-
Debt service	104,267	-	-
Public safety	101,591	-	-
Fishermen's Walk renovations	30,053	-	-
Seawall repair	19,387	-	-

TOWN OF YORK, MAINE
Notes to Basic Financial Statements

FUND BALANCE, CONTINUED

	General Fund	Public Safety Building Capital Project	Other Governmental Funds
Town reserves:			
Lawn to lobsters	\$ 5	-	-
Iron/metal recycling	56,790	-	-
Fire equipment	268	-	-
350 th	5,382	-	-
Academic reimbursement	8,019	-	-
Animal welfare	22,916	-	-
Building	49,273	-	-
Bog Road	2	-	-
Emergency planning	113,378	-	-
Capital equipment	216,715	-	-
CEO	632,461	-	-
Conservation	2,260	-	-
Earned time	120,931	-	-
York Beach fire truck	2,026	-	-
Fishermen's fund	1,034	-	-
Fishermen's memorial	999	-	-
Goodrich Park	356	-	-
Hoist repair	8,218	-	-
Long Sands BH	468	-	-
Sohier Park Building	3,274	-	-
Open space	81,981	-	-
Wheeler Marsh	12,976	-	-
Unemployment	5,707	-	-
Village lights	1,712	-	-
Wheeler trust	1,874	-	-
Wheeler trust	740	-	-
Total assigned	2,126,974	-	-
Unassigned	3,747,696	-	(1,883,022)
Total fund balance	\$ 6,991,158	3,345,168	3,623,740

TAX INCREMENT FINANCING DISTRICT

Under Maine law, the Town has established a Tax Increment Financing District (TIF) to finance improvements within the Town of York. The District specifically encompasses the downtown residential and commercial areas of York Beach, as well as the surrounding open areas. The purpose of the District is to fund certain improvements to the York Beach area, including drainage and flood control infrastructure, sidewalk improvements, and area traffic designs. TIF improvements are to be funded through a combination of municipal bonds, federal grants, and the incremental value multiplied by the tax rate. The incremental value is defined as the increase of the current valuation over the original assessed value of \$36,650,300. As the valuation of the District area has remained relatively flat, no current year taxes have been allocated to the District. Expenditures related to the District's purpose totaled \$0 as of June 30, 2016 and 2015, respectively.

TOWN OF YORK, MAINE
Notes to Basic 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 Town 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.maineopers.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, 2015). 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 7.5% of their annual pay. The Town's contractually required contribution rates for the year ended June 30, 2016 were 8.8% to 8.9% of annual payroll. Contributions to the pension plan from the Town were \$502,565 for the year ended June 30, 2016.

SET Plan - Maine statute requires the State to contribute a portion of the Town's contractually required contributions. Employees are required to contribute 7.65% of their annual pay. The Town's contractually required contribution rate for the year ended June 30, 2016, was 13.38% of annual payroll of which 3.36% of payroll was required from the Town and 10.02% was required from the State. Contributions to the pension plan from the Town were \$505,856 for the year ended June 30, 2016.

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, 2016, 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.

TOWN OF YORK, MAINE
Notes to Basic Financial Statements

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM, CONTINUED

PLD Plan - At June 30, 2016, the Town reported a liability of \$3,380,242 for its proportionate share of the net pension liability. At June 30, 2015, the Town's proportion of the PLD Plan was 1.0595%.

SET Plan - At June 30, 2016, the Town reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the Town. The amount recognized by the Town 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 Town were as follows:

Town's proportionate share of the net pension liability	\$ 184,386
State's proportionate share of the net pension liability	
<u>associated with the Town</u>	<u>16,261,976</u>
Total	<u>\$16,446,362</u>

At June 30, 2015, the Town's proportion of the SETP Plan was 0.0137%.

For the year ended June 30, 2016, the Town recognized pension expense (gain) of \$(801,089) for the PLD Plan and \$(173,966) for the SET Plan with revenue of \$1,508,535 for support provided by the State.

At June 30, 2016, 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	\$ -	434,819
Changes of assumptions	298,723	-
Net difference between projected and actual earnings on pension plan investments	1,082,283	-
Changes in proportion and differences between Town contributions and proportionate share of contributions	-	13,902
Town contributions subsequent to the measurement date	1,008,421	-
Total	\$ 2,389,427	<u>448,721</u>

\$1,008,421 is reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liabilities in the year ended June 30, 2017.

TOWN OF YORK, MAINE
Notes to Basic Financial Statements

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM, CONTINUED

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30:</u>	
2017	\$ (198,270)
2018	(231,722)
2019	(231,722)
2020	(270,571)

Actuarial Assumptions - The total pension liability in the June 30, 2015 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	7.125%	7.125%
Cost of living benefit increases, per annum	2.55%	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, 2015 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, 2015 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%	5.2%
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%	0.7%
Total	100%	

TOWN OF YORK, MAINE
Notes to Basic Financial Statements

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM, CONTINUED

Discount Rate - The discount rate used to measure the total pension liability was 7.125% for the PLD Plan and 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 7.125% for the PLD Plan and 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 (6.125% for PLD Plan and the SET Plan) or 1 percentage-point higher (8.125% for PLD Plan and the SET Plan) than the current rate:

<u>PLD Plan</u>	1% Decrease <u>(6.125%)</u>	Current discount rate <u>(7.125%)</u>	1% Increase <u>(8.125%)</u>
Town's proportionate share of the net pension liability	\$ 6,734,444	\$ 3,380,242	200,252
<u>SET Plan</u>	1% Decrease <u>(6.125%)</u>	Current discount rate <u>(7.125%)</u>	1% Increase <u>(8.125%)</u>
Town's proportionate share of the net pension liability	\$ 322,816	\$ 184,386	\$ 69,089

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, 2016.

457 RETIREMENT PLAN

The Town offers 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.

The Town contributes 7.5% of annual compensation on behalf of full time employees who are not participating in the Maine Public Employees Retirement System. Contributions for the year ended June 30, 2016, 2015 and 2014 were \$127,512, \$121,973, and \$121,410, respectively. The requirements of IRS Section 457(g) prescribes that the Town no longer owns the amounts deferred by employees, including the related income on those amounts. Accordingly, the assets and the liability for the compensation deferred by plan participants, including earnings on their plan assets, were removed from the Town's financial statements.

TOWN OF YORK, MAINE
Notes to Basic Financial Statements

OTHER POST EMPLOYMENT 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 York 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. The consultants completed an OPEB liability actuarial valuation in January 2015.

Plan Descriptions - In addition to providing pension benefits, the Town provides health care benefits for certain retired employees. Eligibility to receive health care benefits follows the same requirements as MainePERS. Eligible retirees are required to pay 100% of the health insurance premiums to receive health benefit coverage.

Funding Policy and Annual OPEB Cost - GASB Statement 45 does not mandate the prefunding of postemployment benefits liability. The Town currently funds 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, 2016, 2015 and 2014 and the annual required contribution:

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Normal cost	\$ 30,086	30,086	30,086
Amortization of unfunded	65,219	65,219	65,219
Interest	20,335	18,523	15,732
Annual required contribution	115,640	113,828	111,037
Amortizing adjustment to ARC	(26,671)	(24,052)	(20,016)
Annual OPEB cost	88,969	89,776	91,021
Contributions made	(68,412)	(44,471)	(21,242)
Increase in net OPEB obligation	20,557	45,305	69,779
Net OPEB obligation beginning of year	461,208	415,903	346,124
Net OPEB obligation end of year	\$ 481,765	461,208	415,903

The "contributions made" represent an implicit rate subsidy offset based on a calculation provided by the actuary which calculates the percentage of premiums which subsidizes retirees.

TOWN OF YORK, MAINE
Notes to Basic Financial Statements

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, 2016, 2015 and 2014 were as follows:

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual OPEB Cost	\$88,969	89,776	91,021
Percent of annual OPEB cost contributed	76.89%	49.54%	23.12%
<u>Net OPEB obligation</u>	<u>481,765</u>	<u>461,208</u>	<u>415,903</u>
Actuarial accrued liability	1,172,878	1,172,878	1,172,878
<u>Plan assets</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unfunded actuarial accrued liability	1,172,878	1,172,878	1,172,878
<u>Covered payroll</u>	<u>6,593,845</u>	<u>6,461,567</u>	<u>7,417,785</u>
Unfunded actuarial accrued liability as a percentage of covered payroll	17.79%	18.15%	15.81%

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:

Actuarial valuation date	1/1/14
Actuarial cost method	Projected unit credit
Amortization method	Level dollar open
Remaining amortization period	30 years
Actuarial assumptions:	
Investment rate of return	4.0%
Projected salary increases	3.0%
Healthcare cost trend rate	4.6%

TOWN OF YORK, MAINE
Notes to Basic Financial Statements

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 public entity risk pools. Currently, the Town participates in two public entity risk pools sponsored by the Maine Municipal Association. Based on the coverage provided by these pools, as well as certain 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, 2016.

SUBSEQUENT EVENTS

On July 14, 2016, the Town issued \$12,032,000 in general obligation bonds. The bonds bear an interest rate of 2.00-2.25% and mature in 2032.

TOWN OF YORK, MAINE
Required Supplementary Information

Schedule of Funding Progress
Retiree Healthcare Plan

Fiscal Year	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	\$ -	869,124	869,124	0.00%	5,100,000	17.04%
2010	1/1/09	\$ -	869,124	869,124	0.00%	5,200,000	16.71%
2011	1/1/11	\$ -	885,280	885,280	0.00%	6,000,000	14.75%
2012	1/1/11	\$ -	885,280	885,280	0.00%	7,201,733	12.29%
2013	1/1/11	\$ -	885,280	885,280	0.00%	7,201,733	12.29%
2014	1/1/14	\$ -	1,172,878	1,172,878	0.00%	7,417,785	15.81%
2015	1/1/14	\$ -	1,172,878	1,172,878	0.00%	6,461,567	18.15%
2016	1/1/14	\$ -	1,172,878	1,172,878	0.00%	6,593,845	17.79%

TOWN OF YORK, 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>2016**</u>	<u>2015**</u>
<u>PLD Plan</u>		
Town's proportion of the net pension liability	1.0595%	1.0357%
Town's proportionate share of the net pension liability	\$ 3,380,242	1,593,770
Town's covered-employee payroll	5,649,002	5,418,940
Town's proportion share of the net pension liability as a percentage of its covered-employee payroll	59.84%	29.41%
Plan fiduciary net position as a percentage of of the total pension liability	88.27%	94.10%
<u>SET Plan</u>		
Town's proportion of the net pension liability	0.0137%	0.0231%
Town's proportionate share of the net pension liability	184,386	249,340
State's proportionate share of the net pension liability associated with the Town	16,261,976	12,746,997
<u>Total</u>	<u>\$ 16,466,362</u>	<u>12,996,337</u>
Town's covered-employee payroll	15,055,238	13,967,493
Town's proportion share of the net pension liability as a percentage of its covered-employee payroll	1.22%	1.79%
Plan fiduciary net position as a percentage of of the total pension liability	81.18%	83.91%

* Only two years of information available.

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

TOWN OF YORK, 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>2016</u>	<u>2015</u>	<u>2014</u>
<u>PLD Plan</u>			
Contractually required contribution	\$ 502,565	435,364	354,880
Contributions in relation to the contractually required contribution	(502,565)	(435,364)	(354,880)
<u>Contribution deficiency (excess)</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>
Town's covered-employee payroll	5,649,002	5,418,940	4,980,213
Contributions as a percentage of covered- Employee payroll	8.90%	8.03%	7.13%
<u>SET Plan</u>			
Contractually required contribution	\$ 505,856	370,139	357,187
Contributions in relation to the contractually required contribution	(505,856)	(370,139)	(357,187)
<u>Contribution deficiency (excess)</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>
Town's covered-employee payroll	15,055,238	13,967,493	13,478,770
Contributions as a percentage of covered- Employee payroll	3.36%	2.65%	2.65%

* Only three years of information available.

TOWN OF YORK, MAINE
Notes to Required Supplementary Information

Changes of Benefit Terms - None

Changes of Assumptions - For the PLD Plan, the discount rate was decreased from 7.25% to 7.125% and the cost of living benefit increase assumption was changed from 3.12% to 2.55%.

GENERAL FUND

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

TOWN OF YORK, MAINE
Balance Sheet
General Fund
June 30, 2016

	2016
ASSETS	
Cash and cash equivalents	\$ 10,393,651
Receivables:	
Accounts	166,414
Intergovernmental	61,985
Taxes - current year	920,453
Taxes - prior years	61,266
Tax liens	470,989
Tax acquired property	62,158
Prepaid expenditures	195,271
Total assets	\$ 12,332,187
LIABILITIES	
Accounts payable	881,161
Accrued payroll	2,181,545
Other liabilities	249,056
Interfund loans payable	934,412
Total liabilities	4,246,174
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue - property taxes	1,094,855
Total deferred inflows of resources	1,094,855
FUND BALANCE	
Nonspendable	195,271
Restricted	921,217
Assigned	2,126,974
Unassigned	3,747,696
Total fund balance	6,991,158
Total liabilities, deferred inflows of resources, and fund balances	\$ 12,332,187

TOWN OF YORK, MAINE
General Fund
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
For the year ended June 30, 2016

	Budget	Actual	Variance positive (negative)
Revenues:			
Taxes:			
Property taxes	\$ 43,370,983	43,448,861	77,878
Supplemental taxes	-	50,618	50,618
Change in unavailable taxes	-	(8,436)	(8,436)
Excise taxes	2,889,000	3,172,285	283,285
Other	39,400	43,731	4,331
Total taxes	46,299,383	46,707,059	407,676
Licenses and permits:			
Town clerk fees	100,000	104,895	4,895
Plumbing permits	39,000	52,926	13,926
Parking stickers	100,000	129,948	29,948
Parking permits	6,000	6,000	-
Transfer station permits	35,000	33,775	(1,225)
Other permits and fees	12,800	16,543	3,743
Total licenses and permits	292,800	344,087	51,287
Intergovernmental:			
State Revenue Sharing	269,400	306,748	37,348
Homestead reimbursement	135,410	135,410	-
BETE reimbursement	2,643	2,707	64
General assistance reimbursement	12,000	42,997	30,997
Rural roads	175,000	213,743	38,743
Education subsidy	1,110,471	1,110,527	56
State agency clients	7,500	19,206	11,706
Other	18,700	50,045	31,345
Total intergovernmental	1,731,124	1,881,383	150,259
Charges for services:			
Parking ticket revenue	115,000	117,118	2,118
Meter collections	215,000	243,632	28,632
Community development code fees	300,000	301,150	1,150
Police department fees	-	15,927	15,927
Ellis Park fees	32,000	24,117	(7,883)
Public safety answering point	116,427	116,427	-
Animal control officer registrations	15,000	5,236	(9,764)
School charges for services	78,400	73,185	(5,215)
Impact fees	110,000	181,900	71,900
Total charges for services	981,827	1,078,692	96,865
Other:			
Interest revenue	181,000	167,186	(13,814)
Board of Appeals	3,500	1,900	(1,600)
Cable TV	193,000	200,811	7,811
Other school department revenues	133,204	128,618	(4,586)
Miscellaneous	6,000	25,065	19,065
Total other	516,704	523,580	6,876
Total revenues	49,821,838	50,534,801	712,963

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

	Budget	Actual	Variance positive (negative)
Expenditures:			
Current:			
General government:			
Town manager	\$ 674,030	664,593	9,437
Finance	278,124	273,790	4,334
Information technology	186,385	160,093	26,292
Assessing	315,900	304,709	11,191
Community development	388,152	376,123	12,029
Town clerk/tax collector	394,032	380,947	13,085
Elections	48,480	33,078	15,402
Town hall operations	224,786	242,722	(17,936)
Municipal Separate Storm Sewer	94,640	88,869	5,771
Contingency	50,000	29,800	20,200
Total general government	2,654,529	2,554,724	99,805
Public safety:			
Public safety services	4,344,927	4,269,944	74,983
Fire department	980,168	909,940	70,228
Hydrants	1,010,748	986,780	23,968
Public health	80,000	80,000	-
Total public safety	6,415,843	6,246,664	169,179
Public works:			
Maintenance and disposal services	3,132,581	3,139,614	(7,033)
Winter maintenance	1,271,709	1,340,902	(69,193)
Total public works	4,404,290	4,480,516	(76,226)
Parks and recreation:			
Short Sands Park	38,573	31,751	6,822
Recreation administration	140,895	135,366	5,529
Parks, grounds, and beaches	842,329	843,761	(1,432)
Total parks and recreation	1,021,797	1,010,878	10,919
Public assistance:			
General assistance	42,151	64,086	(21,935)
Senior center	277,927	265,119	12,808
Social services	39,320	39,170	150
Total public assistance	359,398	368,375	(8,977)
Library	504,373	504,372	1
County tax	2,416,154	2,416,154	-
Unclassified:			
Board of selectmen	26,882	28,006	(1,124)
Boards and committees	50,123	16,807	33,316
Insurance	403,261	381,667	21,594
Cable TV	12,624	6,611	6,013
Policy items	25,000	-	25,000
Overlay/abatements	255,837	25,337	230,500
Total unclassified	773,727	458,428	315,299

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

	Budget	Actual	Variance positive (negative)
Expenditures, continued:			
Current:			
Education:			
Regular instruction	\$ 12,736,594	12,736,500	94
Special education instruction	4,289,571	4,336,921	(47,350)
Career and technical education	12,508	11,741	767
Other instruction	1,226,285	1,226,190	95
Student and staff support	2,661,470	2,579,050	82,420
System administration	965,023	965,023	-
School administration	1,420,858	1,420,803	55
Transportation	1,080,771	1,080,713	58
Facilities maintenance	3,155,080	3,106,402	48,678
Other	69,746	63,040	6,706
Debt service	1,704,621	1,704,525	96
Total education	29,322,527	29,230,908	91,619
Capital outlay:			
Voting machines	21,911	-	21,911
Police vehicles	155,195	158,964	(3,769)
Public safety conceptual design	60,684	60,684	-
Public works pickup truck	14,000	14,000	-
Roads and side walks	1,248,345	1,243,169	5,176
Cliff path	10,000	-	10,000
Fishermen's walk	30,211	158	30,053
Seawall repair	19,388	1,048	18,340
Total capital outlay	1,559,734	1,478,023	81,711
Debt service:			
Principal	1,684,535	1,438,035	246,500
Interest	500,692	507,457	(6,765)
Total debt service	2,185,227	1,945,492	239,735
Total expenditures	51,617,599	50,694,534	923,065
Deficiency of revenues under expenditures	(1,795,761)	(159,733)	1,636,028
Other financing sources (uses):			
Use of fund balance	870,000	-	(870,000)
Carryforward balances	1,126,340	-	(1,126,340)
Appropriations for reserve accounts	(35,000)	(35,000)	-
Transfers to reserve accounts	-	(238,172)	(238,172)
Transfers from reserve accounts	-	149,256	149,256
Transfers to special revenue funds	(165,579)	(239,367)	(73,788)
Transfers to capital projects	-	(1,711)	(1,711)
Transfers to enterprise funds	-	(6,726)	(6,726)
Transfers from special revenue funds	-	108	108
Transfers from enterprise funds	-	160,315	160,315
Total other financing sources (uses)	1,795,761	(211,297)	(2,007,058)
Net change in fund balance - budgetary basis	-	(371,030)	(371,030)
Fund balance, beginning of year-budgetary basis		6,581,682	
Fund balance, end of year-budgetary basis	\$	6,210,652	
Reconciliation to GAAP:			
Insured repairs		(24,575)	
Change in prepaid debt service		158,166	
Change in reserves		318,247	
Net change in fund balance - GAAP basis		80,808	
Fund balance, beginning of year - GAAP basis		6,910,350	
Fund balance, end of year - GAAP basis	\$	6,991,158	

OTHER GOVERNMENTAL FUNDS

TOWN OF YORK, MAINE
Other Governmental Funds
Combining Balance Sheet
June 30, 2016

	Special Revenue Funds				Capital Projects Funds	Clark Emerson Permanent Fund	Total Other Governmental Funds
	Town Programs	School Lunch	Adult Education	School Special Revenues			
ASSETS							
Cash and cash equivalents	\$ 1,112,008	1,496	8,160	-	1,798,704	23,709	2,944,077
Accounts receivable	-	-	3,074	-	-	-	3,074
Intergovernmental receivables	24,349	19,168	-	536,428	35,000	-	614,945
Inventory	-	26,177	-	-	-	-	26,177
Interfund loans receivable	236,365	-	-	-	1,003,153	-	1,239,518
Total assets	\$ 1,372,722	46,841	11,234	536,428	2,836,857	23,709	4,827,791
LIABILITIES AND FUND BALANCES (DEFICITS)							
Liabilities:							
Accounts payable	16,854	-	63	41,700	304,007	-	362,624
Accrued payroll	-	14,138	288	10,546	-	-	24,972
Unearned revenues	-	13,040	-	-	-	-	13,040
Interfund loans payable	-	351,683	58,494	390,083	-	3,155	803,415
Total liabilities	16,854	378,861	58,845	442,329	304,007	3,155	1,204,051
Fund balances (deficits):							
Nonspendable	-	-	-	-	-	20,529	20,529
Restricted	81,600	-	12,050	94,190	-	25	187,865
Committed	1,283,655	-	-	-	4,014,713	-	5,298,368
Unassigned	(9,387)	(332,020)	(59,661)	(91)	(1,481,863)	-	(1,883,022)
Total fund balances (deficits)	1,355,868	(332,020)	(47,611)	94,099	2,532,850	20,554	3,623,740
Total liabilities and fund balances (deficits)	\$ 1,372,722	46,841	11,234	536,428	2,836,857	23,709	4,827,791

TOWN OF YORK, MAINE
Other Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the year ended June 30, 2016

	Special Revenue Funds				Capital Projects Funds	Clark Emerson Permanent Fund	Total Other Governmental Funds
	Town Programs	School Lunch	Adult Education	School Special Revenues			
Revenues:							
Tax revenues	\$ -	-	100,690	-	-	-	100,690
Intergovernmental	53,276	156,298	57,422	837,401	35,000	-	1,139,397
Donations	1,838	-	-	4,250	-	-	6,088
Charges for services	165,502	507,325	26,998	12,634	-	-	712,459
Interest income	112	-	-	-	7,559	2	7,673
Other revenue	13,784	957	680	118,307	110,890	-	244,618
Total revenues	234,512	664,580	185,790	972,592	153,449	2	2,210,925
Expenditures:							
Current:							
Program expenditures	143,911	839,935	188,416	963,651	-	-	2,135,913
Capital expenditures	-	-	-	-	3,375,783	-	3,375,783
Debt service	-	-	-	-	68,331	-	68,331
Total expenditures	143,911	839,935	188,416	963,651	3,444,114	-	5,580,027
Excess (deficiency) of revenues over (under) expenditures	90,601	(175,355)	(2,626)	8,941	(3,290,665)	2	(3,369,102)
Other financing sources (uses):							
Transfers in	69,916	163,755	-	6,241	1,711	-	241,623
Transfers out	(108)	-	-	-	-	-	(108)
Total other financing sources	69,808	163,755	-	6,241	1,711	-	241,515
Net change in fund balances	160,409	(11,600)	(2,626)	15,182	(3,288,954)	2	(3,127,587)
Fund balances (deficits), beginning of year	1,195,459	(320,420)	(44,985)	78,917	5,821,804	20,552	6,751,327
Fund balances (deficits), end of year	\$ 1,355,868	(332,020)	(47,611)	94,099	2,532,850	20,554	3,623,740

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are established to account for resources obtained and expended for specified purposes that are restricted by law or administrative action.

TOWN OF YORK, MAINE
Nonmajor Special Revenue Funds - Town Programs
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For year ended June 30, 2016

	Balance beginning of year	Revenues					Expenditures Program Expenditures	Transfers in (out)	Balance (deficit) end of year
		Grants	Donations	Charges for Services	Other Revenues	Interest Income			
Public Safety Grants:									
413 ATV grants	\$ 108	8,452	-	-	-	-	8,452	(108)	-
419 STOP - DV Investigation	-	25,512	-	-	-	-	25,512	-	-
423 Seat belt	-	3,236	-	-	-	-	3,236	-	-
425 Speed grant	-	2,785	-	-	-	-	2,785	-	-
437 Safety grant	-	3,990	-	-	-	-	3,990	-	-
441 ATV spring grant	-	1,587	-	-	-	-	1,587	-	-
445 Drive sober Maine	-	4,737	-	-	-	-	4,737	-	-
447 Distracted driving grant	-	572	-	-	-	-	572	-	-
406 Beach reserve	291,098	-	-	52,597	-	29	7,329	-	336,395
435 Choose to be healthy fund	707	-	-	-	-	-	-	-	707
436 HBB	7,037	-	-	27,318	7,500	-	31,788	-	10,067
440 Harbor dredge	410,013	-	-	27,325	-	41	-	-	437,379
442 Harbor/wharf	273,582	-	-	43,796	6,284	27	15,851	-	307,838
451 KSB challenge (senior center)	2,531	-	-	-	-	-	-	-	2,531
452 Impact fees	41,504	-	-	-	-	15	1,700	-	39,819
453 Bronze relief	9,052	-	1,838	-	-	-	11,435	545	-
456 MMA wellness	136	611	-	-	-	-	431	-	316
457 Basketball classic	9,857	-	-	-	-	-	7,000	-	2,857
459 Mt. A education grant	380	-	-	-	-	-	-	-	380
461 FEMA Nemo grant	-	-	-	-	-	-	9,387	-	(9,387)
471 York Beach TIF	13,838	-	-	-	-	-	-	1,824	15,662
487 FEMA Juno grant	-	1,794	-	-	-	-	5,934	67,547	63,407
490 Performance accounts	135,616	-	-	14,466	-	-	2,185	-	147,897
Total	\$ 1,195,459	53,276	1,838	165,502	13,784	112	143,911	69,808	1,355,868

NONMAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECT FUNDS

Capital Project Funds are established to account for resources obtained and expended for the acquisition of major capital facilities.

TOWN OF YORK, MAINE
Nonmajor Capital Project Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For year ended June 30, 2016

	Balance beginning of year	Revenues		Expenditures		Transfers in (out)	Balance end of year
		Interest	Other Revenues	Capital Outlay	Debt Service		
200 Capital improvements	\$ 63,378	-	-	-	-	-	63,378
201 Mitchell - airport drive	918,381	-	-	-	-	-	918,381
203 Roaring rock	12,263	-	-	-	12,263	-	-
212 Lake Carolyn dam	34,466	-	-	-	34,466	-	-
216 York Street	448,231	-	-	113,208	232	-	334,791
221 Route 103	143,784	-	-	-	-	-	143,784
228 Connector road	1,472,511	-	-	63,974	-	-	1,408,537
231 Major drainage/culvert	668,897	2,156	-	563,888	-	-	107,165
233 Heavy plow truck	1,384	1	-	-	1,385	-	-
234 Two ton plow truck	2	-	-	-	2	-	-
236 Seawall's bridge utility	375	-	-	-	375	-	-
237 York street/long sands	50,423	152	-	-	-	-	50,575
240 LS bathhouse	683,905	2,581	-	5,789	-	-	680,697
241 Birch hill road	35,917	137	-	-	-	-	36,054
243 York beach lighting	23,595	89	-	514	-	-	23,170
244 Bog road parking	3,508	5	-	3,508	5	-	-
246 Mt. A universal access trail	7,367	10	-	7,335	-	-	42
247 Roadside mower	125,181	192	-	121,058	-	-	4,315
248 Energy efficiency	54,798	146	-	41,642	-	-	13,302
249 Channel 3 broadcast system	40,638	72	-	35,348	-	-	5,362
250 Heavy duty plow truck	90,396	348	-	88,401	-	-	2,343
251 Cider hill reconstruction	400,580	1,670	-	179,433	-	-	222,817
252 Parts truck	-	-	-	18,000	-	-	(18,000)
253 Heavy duty plow truck 2016	-	-	-	201,185	-	-	(201,185)
254 Parts pick up	-	-	-	33,241	-	-	(33,241)
255 Mt. A phase 2	-	-	-	60,000	-	-	(60,000)
256 Mt. A phases 3 and 4	-	-	35,000	173,450	-	-	(138,450)
258 Town hall IT upgrades	-	-	-	150,679	-	-	(150,679)
259 Medical defibrillator	-	-	-	23,544	-	-	(23,544)
260 Bucket/sign truck	-	-	-	57,955	-	-	(57,955)
261 Water rescue outboard motors	-	-	-	14,914	-	-	(14,914)
265 Bog road complex phase 2	-	-	-	71,841	-	-	(71,841)
275 School projects - insured projects	(11,703)	-	110,890	107,989	-	-	(8,802)
275 School projects - auditorium	(131,125)	-	-	521,326	-	-	(652,451)
275 School projects	684,652	-	-	717,561	19,603	1,711	(50,801)
Total	\$ 5,821,804	7,559	145,890	3,375,783	68,331	1,711	2,532,850

NONMAJOR PROPRIETARY FUNDS

Proprietary funds are used to report activities that are generally self-supporting through charging users fees and other related revenues.

TOWN OF YORK, MAINE
Nonmajor Proprietary Funds
Combining Statement of Net Position
June 30, 2016

	Recreation	Mt. Agamenticus	Sohier Park	Outside Duty	Goodrich Park	Senior Center	Totals
ASSETS							
Current assets:							
Cash and cash equivalents	\$ 1,000	-	900	-	-	550	2,450
Accounts receivable	-	-	-	2,683	-	-	2,683
Inventory	-	-	87,852	-	-	-	87,852
Interfund loan receivable	221,821	56,054	38,407	43,868	21,196	131,104	512,450
Total current assets	222,821	56,054	127,159	46,551	21,196	131,654	605,435
Noncurrent assets:							
Capital assets, net of depreciation	-	-	190,110	-	-	57,733	247,843
Total noncurrent assets	-	-	190,110	-	-	57,733	247,843
Total assets	222,821	56,054	317,269	46,551	21,196	189,387	853,278
LIABILITIES							
Accounts payable	26,377	4,936	13,160	-	-	3,527	48,000
Accrued payroll	13,225	1,766	1,072	1,073	-	-	17,136
Total liabilities	39,602	6,702	14,232	1,073	-	3,527	65,136
NET POSITION							
Net investment in capital assets	-	-	190,110	-	-	57,733	247,843
Unrestricted	183,219	49,352	112,927	45,478	21,196	128,127	540,299
Total net position	\$ 183,219	49,352	303,037	45,478	21,196	185,860	788,142

TOWN OF YORK, MAINE
Nonmajor Proprietary Funds
Combining Statement of Revenues, Expenses and Changes in Net Position
For the year ended June 30, 2016

	Recreation	Mt. Agamenticus	Sohier Park	Outside Duty	Goodrich Park	Senior Center	Totals
Operating revenues:							
User fees	\$ 499,669	-	-	85,346	-	239,376	824,391
Sponsorships/memberships	66,608	-	-	-	-	14,725	81,333
Gift shop sales	-	-	463,604	-	-	-	463,604
Rental income	-	52,412	-	-	6,600	-	59,012
Donations	-	40,498	435	-	7,000	7,166	55,099
Other	-	-	-	-	11,395	6,745	18,140
Total operating revenues	566,277	92,910	464,039	85,346	24,995	268,012	1,501,579
Operating expenses:							
Cost of goods	-	-	225,560	-	-	49,402	274,962
Salaries and benefits	257,715	39,125	83,366	72,567	-	6,355	459,128
Training, meetings, and travel	5,351	420	713	-	-	-	6,484
Maintenance	85	2,287	-	-	4,279	874	7,525
Office expenses	26,756	2,953	3,784	-	-	4,802	38,295
Supplies	65,977	12,816	14,503	-	1,625	10,161	105,082
Contracts	184,625	6,924	17,715	-	700	164,139	374,103
Utilities	-	2,163	182	-	-	633	2,978
Fuel	2,204	-	-	-	-	1,870	4,074
Depreciation expense	-	-	5,070	-	-	16,495	21,565
Total operating expenses	542,713	66,688	350,893	72,567	6,604	254,731	1,294,196
Operating income	23,564	26,222	113,146	12,779	18,391	13,281	207,383
Transfers in	-	-	-	6,726	-	-	6,726
Transfers out	-	(545)	(160,315)	-	-	-	(160,860)
Change in net position	23,564	25,677	(47,169)	19,505	18,391	13,281	53,249
Total net position, beginning of year	159,655	23,675	350,206	25,973	2,805	172,579	734,893
Total net position, end of year	\$ 183,219	49,352	303,037	45,478	21,196	185,860	788,142

SCHEDULE

TOWN OF YORK, MAINE
General Fund Reserves
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
For year ended June 30, 2016

	Balance beginning of year	Interest	Donations	Charges for Services	Grants	Appropriations	Expenditures	Transfers in	Transfers out	Balance end of year
130 OT detail	\$ 3,852	-	-	-	-	-	-	-	(3,852)	-
131 Lawns to lobsters	5	-	-	-	-	-	-	-	-	5
133/483 Iron/Metal Recycling	47,495	-	-	9,295	-	-	-	-	-	56,790
134 Fire Equipment	268	-	-	-	-	-	-	-	-	268
401 350th	5,382	-	-	-	-	-	-	-	-	5,382
402 Airport Drive	22,113	-	-	-	-	-	22,113	-	-	-
403 Academic reimbursement	8,018	1	-	-	-	-	-	-	-	8,019
404 Animal welfare	22,916	-	-	-	-	-	-	-	-	22,916
408 Building	41,620	4	-	7,649	-	-	-	-	-	49,273
410 Bog Road	17,861	2	-	-	-	-	17,861	-	-	2
411 Emergency planning	115,615	-	-	-	18,184	-	20,421	-	-	113,378
412 Capital equipment	302,466	24	-	-	-	-	18,228	-	(67,547)	216,715
414 CEO	240,144	-	-	392,317	-	-	-	-	-	632,461
418 Conservation	2,260	-	-	-	-	-	-	-	-	2,260
422 Earned time	90,922	9	-	-	-	30,000	-	-	-	120,931
426 York Beach fire truck	2,026	-	-	-	-	-	-	-	-	2,026
428 Fishermen's Fund	1,034	-	-	-	-	-	-	-	-	1,034
430 Fishermen's Memorial	999	-	-	-	-	-	-	-	-	999
434 Goodrich Park	355	1	-	-	-	-	-	-	-	356
448 Historic markers	230	-	-	-	-	-	230	-	-	-
450 Hoist repair	7,168	-	-	1,050	-	-	-	-	-	8,218
454 Long Sands BH	468	-	-	-	-	-	-	-	-	468
460 Sohier Park Building	(620)	15	19,009	-	-	-	1,921	64,648	(77,857)	3,274
462 Off premise signs	1,764	-	-	-	-	-	1,764	-	-	-
464 Open space	81,973	8	-	-	-	-	-	-	-	81,981
465 Wheeler Marsh	12,976	-	-	-	-	-	-	-	-	12,976
470 Sohier Park maintenance	-	-	-	-	-	-	95,667	95,667	-	-
478 Unemployment	1,455	-	-	-	-	5,000	748	-	-	5,707
479 Village lights	1,239	-	473	-	-	-	-	-	-	1,712
480 Wheeler trust	1,874	-	-	-	-	-	-	-	-	1,874
467/489 Street openings	(2,360)	-	-	3,100	-	-	-	-	-	740
Total	\$ 1,031,518	64	19,482	413,411	18,184	35,000	178,953	160,315	(149,256)	1,349,765

TOWN OF YORK, MAINE
General Fund
Changes in Fund Balances
For the year ended June 30, 2016

	Nonspendable	Restricted	Assigned			Unassigned	Total
		School Department General Fund*	Budgeted Use of Fund Balance	Budgeted Use of Carry Forwards	Reserves**		
Fund balance as reported, June 30, 2015	\$ 648,571	447,167	600,000	1,126,340	1,034,498	3,053,774	6,910,350
Beginning balance of reserves	-	-	-	-	(1,031,518)	-	(1,031,518)
Negative reserves balances FY 15	-	-	-	-	(2,980)	2,980	-
Prepaid debt service FY 15	-	-	-	-	-	702,850	702,850
Amounts paid out of school reserves FY 15	-	74,707	-	-	-	-	74,707
Legal fees paid out of special education reserve FY 14	-	79,238	-	-	-	-	79,238
Beginning fund balance, budgetary basis, June 30, 2015	648,571	601,112	600,000	1,126,340	-	3,759,604	6,735,627
To close amounts paid out of school reserves	-	(74,707)	-	-	-	-	(74,707)
To close amounts paid out of school special education reserve	-	(79,238)	-	-	-	-	(79,238)
Beginning fund balance, budgetary basis, June 30, 2016	648,571	447,167	600,000	1,126,340	-	3,759,604	6,581,682
Lapse of budgeted use of fund balance	-	270,000	(600,000)	-	-	330,000	-
Lapse of nonspendable items	(648,571)	626,978	-	-	-	21,593	-
Lapse of carry forwards	-	-	-	(1,126,340)	-	1,126,340	-
FY 2016 carry forwards to FY 2017	-	-	-	277,209	-	(277,209)	-
FY 2017 budgeted use of fund balance	-	(200,000)	500,000	-	-	(300,000)	-
FY 2016 prepaid items	195,271	(72,852)	-	-	-	(122,419)	-
Net change in fund balance - budgetary basis	-	(112,648)	-	-	-	(258,382)	(371,030)
Fund balance as reported June 30, 2016, budgetary basis	195,271	958,645	500,000	277,209	-	4,279,527	6,210,652
Amounts held in reserves	-	-	-	-	1,349,765	-	1,349,765
Prepaid debt service	-	(37,428)	-	-	-	(507,256)	(544,684)
Repairs covered by prior year insurance proceeds	-	-	-	-	-	(24,575)	(24,575)
Fund balance as reported June 30, 2016, GAAP basis	\$ 195,271	921,217	500,000	277,209	1,349,765	3,747,696	6,991,158

* School Department fund balance includes amounts committed for retirement incentives (\$23,233) and an amount assigned to next year's budget (\$200,000). Amounts are shown as restricted on the Town side as they are not available for Town operations.

** Does not include reserves with negative balances as those must be shown as unassigned fund balance.