HAMPDEN TOWN COUNCIL

HAMPDEN MUNICIPAL BUILDING

AGENDA

MONDAY APRIL 2ND, 2018 7:00 P.M.

6:00 p.m. – Finance & Administration Committee

A. PLEDGE OF ALLEGIANCE

B. CONSENT AGENDA

1. SIGNATURES

2. SECRETARY'S REPORTS

   a. March 19th, 2018

3. COMMUNUNICATIONS

   a. Notice of election process for MMA Executive Committee and Vice President
   b. Notice of MDOT contract award for light paving and bridge milling projects 022110.00 & 024626.00
   c. Save the Date notice for the Good Shepherd Food Bank Groundbreaking on May 23, 2018 at 10:00 a.m.
   d. Renewal Victualer's licenses approved – JC's Variety, ATC Tennis Ctr
   e. Notice and agenda for the RSU 22 Budget Committee meeting to be held on April 3, 2018
   f. March 29, 2018 MRC Notice of interim municipal solid waste delivery to Crossroads and Juniper Ridge Landfill effective April 1st, 2018

4. REPORTS

   a. Finance Committee Minutes – March 5th, 2018
   b. Infrastructure Committee Minutes – Februrary 26th, 2018
   c. Planning & Development Committee Minutes – February 21st, 2018
   d. Services Committee Minutes – None

C. PUBLIC COMMENTS

D. POLICY AGENDA

NOTE: The Council will take a 5-minute recess at 8:00 pm.

1. NEWS, PRESENTATIONS & AWARDS

2. PUBLIC HEARINGS

    a. Consideration of an application for a new Victualer's license for Fresh Ginger Fusion, Inc., owned and operated by Cholada Wong of Hampden

    b. Consideration of an application for a new Liquor License for Fresh Ginger Fusion, Inc., owned and operated by Cholada Wong of Hampden

3. NOMINATIONS – APPOINTMENTS – ELECTIONS

4. OLD BUSINESS

5. NEW BUSINESS

    a. Presentation of Hampden FY2017 Audit – *James W. Wadman, CPA*

    b. Request for authorization to waive the performance guarantee required to accept West Carey Drive as a public way – *referral from Finance & Administration Committee*

    c. Council approval of the Edythe L. Dyer Library Card Policy – *referral from Finance & Administration Committee*

    d. Request for authorization to re-allocate up to $10,000 approved but unspent funds from the Planning & Community Development Reserve Account (3-725-00) for the purpose of retaining the contract planner through the remainder of FY18 – *referral from Finance & Administration Committee*

    e. Recommend Council authorization of up to $18,625 from Host Community Benefit account (1-351-00) for purchase of 2nd flashing pedestrian beacon, and acceptance of bid price for installation of two crosswalks and two flashing pedestrian beacons on Main Road North at Cottage Street and at the Kiwanis Civic Center driveway – *referral from Finance & Administration Committee*

E. COMMITTEE REPORTS

F. MANAGER'S REPORT

G. CLERK'S COMMENTS

H. COUNCILORS' COMMENTS

I. ADJOURNMENT

B-2-a

HAMPDEN TOWN COUNCIL
HAMPDEN MUNICIPAL BUILDING
MINUTES

MONDAY **MARCH 19TH, 2018** **7:00 P.M.**

6:00 p.m. – Finance & Administration Committee

Attending:
Mayor McPike
Councilor Cormier
Councilor McAvoy
Councilor Wilde
Councilor Marble
Councilor Ryder

Town Manager Angus Jennings
Town Clerk Paula Scott
DPW Director, Sean Currier
Kyle Corbeil, Woodard & Curran
Planner Noel Musson

Mayor McPike called the meeting to order at 7:00 p.m.

A. PLEDGE OF ALLEGIANCE – *Mayor McPike led the Pledge of Allegiance*

B. CONSENT AGENDA – *Councilor McAvoy made a motion, seconded by Councilor Ryder, to add an item to the agenda under D – 3, nominations-appointments-elections. Unanimous vote in favor, 6-0. Councilor Marble made a motion, seconded by Councilor McAvoy, to accept the consent agenda. Unanimous vote in favor, 6-0.*

1. **SIGNATURES**

2. **SECRETARY'S REPORTS**

   a. **March 5th, 2018**

3. **COMMUNUNICATIONS**

   a. **Notice and application from Maine Revenue Services regarding ratio declaration & reimbursement for the Homestead Exemption**
   b. **Notice of Eastern Maine Community College's Annual Dinner to be held April 26th, 2018**
   c. **Information on an upcoming course regarding harassment in the workplace to be held April 13, 2018**
   d. **MRC memo regarding funds received from the Put Option buyback agreement**
   e. **Renewal Victualer's licenses approved – Best Western, Dysarts Service, Pizza Gourmet, R & K Variety**
   f. **Candyland Family Dance to be held March 24, 2018 at the Skehan Center**

NOTE: The Council will take a 5-minute recess at 8:00 pm.

4. **REPORTS**

a. **Finance Committee Minutes – February 20th, 2018**
b. **Infrastructure Committee Minutes – None**
c. **Planning & Development Committee Minutes – February 14th, 2018**
d. **Services Committee Minutes – February 12th, 2018**
e. **Recreation Committee Minutes – November 21, 2017**

C. **PUBLIC COMMENTS**

D. **POLICY AGENDA**

1. **NEWS, PRESENTATIONS & AWARDS**

2. **PUBLIC HEARINGS**

a. **Consideration of the proposed amendments to the Hampden Business Park Covenants pursuant to Article VI of the Covenants – *referral from Planning & Development Committee*** – *At 7:05 p.m., Councilor Ryder made a motion, seconded by Councilor McAvoy, to open the public hearing. Unanimous vote in favor – 6-0. Manager Jennings summarized the work done by Noel Musson and the Planning Department to revise the restrictive covenants in the Business Park. Between Committee, Council, and Planning, an effort was made to look at the covenants and to ease some of the restrictions that have impeded development. This has been in conjunction with work done on the Zoning Ordinance and the Business Park TIF District. Much work has been done to revise and streamline the application process, and removed an additional layer of substantive review while still preserving the Town's interest. All abutters were notified of the potential changes to the covenants. There was no public comment. Councilor Marble made a motion, seconded by Councilor McAvoy, to close the public hearing at 7:07 p.m. Unanimous vote in favor, 60-0.*

b. **Consideration of the proposed Ordinance authorizing the appropriation and borrowing of funds to finance the repair and replacement of portions of Hampden's Sewer Collection System – *continued from March 5th, 2018*** – *Councilor Ryder made a motion, seconded by Councilor Marble, to reopen the public hearing at 7:09 p.m. Unanimous vote in favor, 6-0. Manager Jennings recapped the purpose of the public hearing which started on March 5th, explaining that because of the new information from the closed circuit tv work*

done on the sewer lines, the need to repair and replace sewer lines became more urgent. Manager Jennings explained that the original borrowing ordinance that was presented at the start of the public hearing was for four distinct projects, totaling 2,748,400. To fully detail possible scenarios and funding options, the public hearing was continued. The referral coming out of Finance & Administration, was to remove one of the previously identified projects, thereby reducing the amount needed to bond to 2,113,400. All projects are important and timing of them is driven by proposed MDOT projects. Councilor Ryder stated that it is important that the portion of the bond that is to do with the Grist Mill Bridge will be paid from General Fund while the other two projects, Main Rd. North from Mountain View to Western Ave., and Western Ave., between Main Road North and Route 202 will be paid from the Sewer Fund but that this does not mean a rate increase for sewer users. Manager Jennings stated that he is working toward eligibility for State Revolving Funds for financing options. There was no public comment. Councilor Marble made a motion, seconded by Councilor McAvoy, to close the public hearing at 7:15 p.m. Unanimous vote in favor, 6-0. Councilor Marble made a motion, seconded by Councilor Ryder, to approve the proposed alternate one of the Ordinance authorizing the appropriation and borrowing of 2,113,400 to repair and replace portions of the sewer system. Unanimous vote in favor, 6-0.

3. NOMINATIONS – APPOINTMENTS – ELECTIONS

a. Appointment of Chief Rogers as acting Town Manager during the week of April 16th - *Councilor McAvoy made a motion, seconded by Councilor Marble, to appoint Chief Joe Rogers as acting Town Manager during the week of April 16th. Unanimous vote in favor, 6-0.*

b. Update on the status of rank choice voting – *Mayor McPike asked for an update on the status of ranked choice voting. The clerk explained that the opponents to the Legislative decision to delay implementation until 2021 were successful in obtaining the required number of signatures to force the process for the June Primary. This will only affect State and Federal offices, not Local or County. Machines will be programmed to read not only plurality votes, but also ranked choice votes in every possible combination of rank. Clerks are still waiting for information to come from the Secretary of State's office regarding our roles in the new counting and storing procedures. The elections conference is in May and more information should be coming from that.*

c. Acceptance of resignation of Councilor Sirois & approval of shortened nomination period -*added to agenda during Consent Agenda* *– Councilor Marble made a motion to accept the resignation of Councilor Sirois and to approve Council Order 2018-02 authorizing a shortened nomination process for*

the unexpired term to be filled at the June 12th election. Councilor McAvoy stated that he felt that the motion was a compound motion and that he would prefer to separate it into two motions. The Clerk advised that the motion did not receive a second, so a new motion could be put forth. Councilor Ryder made a motion, seconded by Councilor Marble, to accept the resignation of Councilor Sirois. Unanimous vote in favor, 6-0.

Councilor Marble made a motion, seconded by Councilor McAvoy, to approve Council Order 2018-02 authorizing a shortened nomination process to fill the Council vacancy. Councilors Ryder, Marble, Wilde, McAvoy and Mayor McPike voted in favor, Councilor Cormier voted in opposition. Motion carries, 5-1.

4. OLD BUSINESS

5. NEW BUSINESS

a. **Council re-authorization of the Emergency Moratorium Ordinance Regarding Retail (Adult Use) Marijuana** – *Councilor McAvoy made a motion, seconded by Councilor Marble, to re-authorize the Emergency Moratorium Ordinance regarding Retail Marijuana. Manager Jennings clarified that this is for 60 days. Unanimous vote in favor, 6-0.*

b. **Council approval of the 2018 River Herring Harvest Plan and the retention of fishing rights in Municipal waters** – *Councilor Marble made a motion, seconded by Councilor McAvoy, to approve the 2018 River Herring Harvest Plan and retain the fishing rights in Municipal waters. Unanimous vote in favor, 6-0.*

c. **Request for authorization for the expenditure in an amount up to $3,765 from Playgrounds Reserve account (3-768-00) for tennis court light poles – *referral from Finance & Administration Committee*** – *Councilor McAvoy made a motion, seconded by Councilor Marble, to authorize the expenditure of $3,765 from the Playgrounds Reserve account for tennis court light poles. Unanimous vote in favor, 6-0.*

d. **Request for authorization for the expenditure of $9,238 from Fire Camera Reserve account (3-747-00) for a thermal imaging camera – *requested by Chief Joseph Rogers*** – *Councilor McAvoy made a motion, seconded by Councilor Marble, to authorize the expenditure of $9,238 from the Fire Camera Reserve account for a thermal imaging camera. Unanimous vote in favor, 6-0.*

e. **Council approval to move the Infrastructure Committee meeting to April 30th – *referral from Finance & Administration Committee***

– Councilor McAvoy, seconded by Councilor Ryder, to move the April Infrastructure Committee meeting to the 30th. Unanimous vote in favor, 6-0.

E. COMMITTEE REPORTS

Planning & Development Committee – Councilor Ryder reported that the next meeting is going to be Wednesday the 21st.

Services Committee – Councilor Marble reported that the meeting on the 12th was attended by several members of the community. At which, the Committee approved the Farmer's Market's continued use of the parking lot on Fridays, and received a report on funds in the amount of $13,600 received from Prentiss & Carlisle from the logging operation on town land, said funds to be put into the Parks and Playgrounds Reserve Account. The Committee held a discussion about how to better get the word out for public opinion on the possibility of a potential future expansion for more rec parking and possibly fields, from placing on a ballot for a referendum, to surveys mailed or otherwise. This will become a standing agenda item for a few meetings. The Candyland Family Dance will be held on Saturday March 24th, and the Elliot Lamb Memorial Canoe Race on the Souadabscook will be held on April 14th.

Infrastructure Committee – Councilor Cormier reported that the next meeting will be Monday the 26th.

Finance & Administration Committee – Councilor McAvoy reported that the items acted on tonight were discussed and referred from Committee.

F. MANAGER'S REPORT *– Manager Jennings reported that the FY17 Audit is slated to be presented at the April 2nd Council meeting. He reported that CCTV data, including pipe lengths, materials, inverts, elevations, etc. has been added to the GIS as additional layers. We have also received the initial report from the environmental hygienist on the mold situation and it does not appear to be as bad as first thought. There is a meeting this week to determine recommended remediation.*

G. CLERK'S COMMENTS *– The Clerk reminded Councilors that there are several documents that need signatures after the meeting, including the Council Order approved tonight, the two over-limit permit requests from MDOT which signatures were postponed due to clarification of weight restrictions on Emerson Mill and Mayo, and a re-signing of an off-premise liquor license that was already approved, but postponed due to a storm.*

H. COUNCILORS' COMMENTS

Councilor Ryder – No comment

Councilor Marble – Stated that in light of the resignation he would like to encourage anyone who might be interested in the direction of the town, to consider running for office. He stated that he enjoyed working with Greg and that he wishes him well.

Councilor Wilde – Informed the public that the RSU 22 Business Expo will be held

Saturday, March 24th at Hampden Academy from 10:00 – 4:00
Councilor Cormier – No comment
Councilor McAvoy – reminded everyone to shop local and buy American and wished Hampden a good night.
Mayor McPike – Informed the public that the application period for town manager applications has closed and that the Council will be getting actively involved in the coming weeks on hiring a new town manager.

I. ADJOURNMENT – *With no other business to conduct, the meeting was adjourned at 7:40 p.m.*

Respectfully Submitted,

Paula A. Scott

Paula A. Scott, CCM
Town Clerk

B-3-a

Angus Jennings <townmanager@hampdenmaine.gov>

MMA Executive Committee and Vice President - Call for Nominations

1 message

Theresa Chavarie <Key-Municipal-Officials@imail.memun.org> Thu, Mar 15, 2018 at 3:44 PM
Reply-To: tchavarie@memun.org
To: "Key-Municipal-Officials@imail.memun.org" <Key-Municipal-Officials@imail.memun.org>
Cc: Laurie Smith <lsmith@kennebunkportme.gov>, Stephan Bunker <SBunker@farmington-maine.org>, Stephan Bunker <stephan.bunker@gmail.com>, "Charles.pray@mainecounties.org" <Charles.pray@mainecounties.org>, Don Brewer <brewer@cumberlandcounty.org>, Kellie Jacobs <umo91@yahoo.com>, Christine Landes <tm@bethelmaine.org>, Elaine Aloes <chelaloe@yahoo.com>, Gary Fortier <gfortier@ellsworthmaine.gov>, James Bennett <James.Bennett@biddefordmaine.org>, James Gardner Jr <eastontownmanager@gmail.com>, Jill Duson <jduson@portlandmaine.gov>, Linda Cohen <lccohen@hotmail.com>, Mary Sabins <msabins@vassalboro.net>, "Rick Bates - Town of Rockport (rbates@town.rockport.me.us)" <rbates@town.rockport.me.us>, "Suzannah Heard (sukey.heard@arrowsic.org)" <sukey.heard@arrowsic.org>, William Bridgeo <william.bridgeo@augustamaine.gov>

Maine Municipal Association
60 COMMUNITY DRIVE
AUGUSTA, MAINE 04330-9486
(207) 623-8428
www.memun.org

TO: **Key Municipal Officials in Member Municipalities**

FROM: **Laurie Smith, Chair of the MMA Nominating Committee**

MMA Immediate Past President / Town Manager, Town of Kennebunkport

DATE: **March 15, 2018**

RE: **Election Process Begins for MMA Executive Committee and Vice President**

PLEASE NOTE

Key Municipal Officials are asked to distribute this Notice to each member of your Board/Council and place on their next meeting agenda for consideration.

This is to provide notice that MMA President Linda Cohen appointed the 2018 MMA Nominating Committee as stipulated in the Bylaws of the Maine Municipal Association. The Nominating Committee is charged with putting forth a Proposed Slate of MMA Executive Committee and Vice President nominations for consideration and election by Member municipalities.

For your convenience, information on the Nomination, Petition and Election Process along with the Statement of Interest Form will be posted on the MMA website as a Recent Announcement dated 3/14/18. The following is a direct link to the area of MMA's website where you can download the forms and/or stay abreast of any updates to the Nomination, Petition & Election Process.

https://www.memun.org/AboutUs/Governance/MMANominationProcess.aspx

An Overview of the Process & Timetable along with the Statement of Interest Form to serve on the Executive Committee is also available in the March Issue of the Maine Town & City monthly magazine.

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Service on the MMA Executive Committee

The MMA Nominating Committee is seeking recommendations for candidates to serve on the MMA Executive Committee. We encourage individuals interested in serving our Association to respond by either recommending yourself or another municipal official who is willing and able to serve on the MMA Executive Committee. To make a recommendation, please complete the *Statement of Interest Form for Service on the MMA Executive Committee*. Please note that the inclusion of a resume and letters of support are very important information in that the Nominating Committee will consider this information as they select candidates to be interviewed for the Executive Committee positions.

The following municipal officials are eligible:

- *Any "municipal officer" as defined by state law, in an active member municipality. This means the mayor and alderman or councilors of a city, the selectmen or councilors of a town, and the assessors of a plantation.*
- *Any town or city manager or chief appointed administrative official in an active member municipality*

Please take a few minutes to review the Notice outlining the criteria for the MMA Executive Committee. The deadline for receipt of the Statement of Interest Form for service on the MMA Executive Committee is **Monday, May 7, 2018 by 12:00 noon**.

Based on the Statements of Interest and letter(s) of recommendation, the Nominating Committee will be selecting candidates to be interviewed. Theresa Chavarie will be in contact with selected candidate(s) to provide an interview time, which will take place on **Tuesday, May 15, 2018**.

MMA Vice President Position

The MMA Nominating Committee is also seeking candidates interested in serving as the MMA Vice President. There are four major responsibilities of the MMA Vice President:

- To facilitate MMA Executive Committee meetings or member events in the absence of the current MMA President;
- To serve as the Chair of the MMA Legislative Policy Committee;
- To participate in meetings with members of Maine's Congressional delegation, held in conjunction with the NLC Congressional City Conference, each March in Washington DC; and
- To be next in line to serve as the MMA President.

The following municipal officials are eligible:

Any municipal official who has served at least 12 consecutive months on the MMA Executive Committee during the past five years. Please note that this municipal official does not need to be seated as a current MMA Executive Committee member. It is also important to note that elected officials should only apply if they intend to continue to serve in local office for the next two years.

A separate notice along with the Statement of Interest Form for the Vice President position has been sent to municipal officials qualified to serve in this position. The deadline for receipt of the Statement of Interest Form for the MMA Vice President Position is also **Monday, May 7, 2018 by 12:00 noon.** Theresa Chavarie will be in contact with the Vice President candidates(s) to provide an interview time, which will take place on **Tuesday, May 15, 2018**.

If you have any questions on the Nomination, Petition and Election process or timetable, please do not hesitate to Theresa Chavarie at the MMA office, 1-800-452-8786 or by e-mail at tchavarie@memun.org. Thank you.

cc: MMA Executive Committee

MMA Nominating Committee

Theresa A. Chavarie
Manager, Member Relations & Executive Office

Maine Municipal Association
60 Community Drive, Augusta, ME 04330
TEL 1-800-452-8786 or (207) 623-8428 ext. 2211
FAX (207) 626-3358
www.memun.org ***Please consider the environment before printing this e-mail.***

E-mail correspondence and attachments sent by or to the Maine Municipal Association – with certain exceptions – may be "public records" that are subject to inspection if such a request is made, according to Maine's Freedom of Access law.

To ensure delivery of MMA mailings, please make sure that your spam filters have memun.org and imail.memun.org white listed as safe.

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B-3-b

STATE OF MAINE
DEPARTMENT OF TRANSPORTATION
16 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0016

Paul R. LePage
GOVERNOR

David Bernhardt
COMMISSIONER

Town of Hampden
RECEIVED
MAR 28 2018
Office of the
Town Manager

March 26th, 2018

Town of Hampden
Attn: Angus Jennings – Town Manager
106 Western Avenue
Hampden, Maine 04444

Resident Town Letter – Light Capital Paving and Bridge Milling
Cities/Towns: Bradford, Corinna, Corinth, Dixmont, Etna, Exeter, Garland, Hampden, Kenduskeag, Levant, Milo, Newburgh, Newport, Orrington, Palmyra, Pittsfield, Stetson, and the Township of Orneville
Wins: 022110.00 & 024626.00

This is to advise you that the Maine Department of Transportation awarded a contract for the above referenced project. The Contractor on this project is Lane Construction Corporation 953 Odlin Road, Bangor, Maine 04401.

The Resident representing the State of Maine, Department of Transportation is Jared Stanley; he can be reached by cell at 207-592-1627 or by via email: Jared.Stanley@maine.gov . There will be no on-site trailer.

Residents and property owners adjacent to this project may contact Jared Stanley regarding construction activities, or for obtaining information in connection with this project.

In the event that our Resident cannot be contacted at the project site, you may contact me, Denis Lovely at 207-446-1978.

Sincerely,

E. Denis Lovely

Denis Lovely
Senior Project Manager
Highway Program

cc: Jared Stanley- Resident

B-3-C

Good Shepherd
FOOD BANK OF MAINE

SAVE THE DATE

GROUNDBREAKING

MAY 23, 2018 10-11 a.m.

Good Shepherd Food Bank
Hampden Distribution Center

partnering to end hunger

FORMAL INVITATION TO FOLLOW

Good Shepherd Food Bank, Maine's largest hunger relief organization, is renovating the former Bangor Daily News facility in Hampden. This project will transform the facility into a food storage and distribution center for locally sourced produce, dairy, and seafood, as well as other nourishing donated and purchased products. Once complete, the facility will benefit 74,000 food-insecure Mainers in central, northern, and eastern Maine—where food insecurity and its associated health risks are highest—and will allow GSFB to distribute up to 10 million more meals annually.

Join us to learn more about GSFB's strategy for ending hunger in Maine!

PLEASE CONTACT JULIE GUERETTE WITH ANY QUESTIONS:
JGUERETTE@GSFB.ORG

www.feedingmaine.org

B-3-d

Town of Hampden
106 Western Avenue
Hampden, Maine 04444

Phone: (207) 862-3034
Fax: (207) 862-5067
email: info@hampdenmaine.gov

March 28, 2018

John & Corinne Lanpher
995 Western Ave.
Hampden, Me. 04444

RE: Victualer's license JC's Variety

Dear Sir/Madam:

Your application for your Victualer's License has been approved. Accordingly, I am enclosing the license, which under Section 5.A of the Town of Hampden Victualer's Ordinance, must be displayed in a place within the establishment where it can be readily viewed by any member of the public.

Please call if you have any questions.

Sincerely,

Paula
Town

Enclo

VICTUALER'S LICENSE CERTIFICATE

No. 18-04 ***MUNICIPALITY OF HAMPDEN, MAINE***

To all whom these presents may concern: Date: March 29, 2018

KNOW YE, that John & Corinne Lanpher,

doing business as JC's Variety has been duly

licensed as a Victualer at 995 Western Ave in the

Municipality of Hampden by said Municipality until 03/31, 2019, and has

paid to the Municipal Treasurer the fee of One hundred Dollars ($100.00).

Authorized Municipal Officer **CODE ENFORCEMENT OFFICER**

Town of Hampden
106 Western Avenue
Hampden, Maine 04444

Phone: (207) 862-3034
Fax: (207) 862-5067
email: info@hampdenmaine.gov

March 28, 2018

Dean Armstrong-
ATC Tennis Center
60 Mecaw Rd.
Hampden, Me. 04444

RE: Victualer's license for ATC Tennis Center

Dear Sir/Madam:

Your application for your Victualer's License has been approved. Accordingly, I am enclosing the license, which under Section 5.A of the Town of Hampden Victualer's Ordinance, must be displayed in a place within the establishment where it can be readily viewed by any member of the public.

Please call if you have any questions.

Sincerely,

Paula
Town

Enclo

VICTUALER'S LICENSE CERTIFICATE

No. 18-03 ***MUNICIPALITY OF HAMPDEN, MAINE***

To all whom these presents may concern: Date: March 29, 2018

KNOW YE, that Dean Armstrong, doing business as ATC Tennis Center has been duly licensed as a Victualer at 60 Mecaw Rd in the Municipality of Hampden by said Municipality until 03/31, 2019, and has paid to the Municipal Treasurer the fee of One hundred Dollars ($100.00).

Authorized Municipal Officer **CODE ENFORCEMENT OFFICER**

Regional School Unit #22
Superintendent's Office
24 Main Road North
Hampden, ME 04444
Tel. 207-862-3255 **Fax 207-862-2789**

TO: Budget Committee

FROM: Regan Nickels, Assistant Superintendent

DATE: March 29, 2018

SUBJECT: Budget Committee Meeting
Tuesday, April 3, 2018
7:00 p.m., Hampden Academy - 2nd Fl. Conf. Rm.

AGENDA

- Introductions
- Election of Committee Chair
- Discuss FY19 Budget - Initial Draft
- Next Meeting
- Adjourn

cc: Board of Directors

B-3-f

Angus Jennings <townmanager@hampdenmaine.gov>

Important Notice: Interim Delivery Details

1 message

Municipal Review Committee <municipal.review.committee1@gmail.com> Thu, Mar 29, 2018 at 2:22 PM
Reply-To: glounder@mrcmaine.org
To: townmanager@hampdenmaine.gov

MRC Municipal Review Committee, Inc.

Interim MSW Delivery to Crossroads and Juniper Ridge Landfill as of April 1, 2018

The MRC has made final arrangements for all Joining Members to manage their MSW after April 1, 2018 because the Fiberight/Coastal Facility "Coastal" in Hampden will not be available to accept MSW on April 1.

39 Joining Members that are capable of having their MSW delivered directly to the Crossroads Landfill and another 10 Joining Members will use a nearby transfer station. Coastal and Waste Management are working together to ensure that the $70 per ton tipping fee during the interim period are invoiced appropriately.

For the remaining Joining Members, the MRC has developed an arrangement for interim MSW delivery involving the use of the Juniper Ridge Landfill (JRL). Coastal and JRL are also working together to make sure the $70 per ton tipping fee during the interim period are invoiced appropriately.

The full memorandum including delivery locations for each Joining Member are available here.

If you have any questions, please visit our website at www.mrcmaine.org, contact contact Greg Lounder at (207) 664-1700 or glounder@mrcmaine.org or contact a MRC Board Member.

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Municipal Review Committee, 395 State Street, Ellsworth, ME 04605

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Constant Contact

Try it free today

395 State Street
Ellsworth, ME 04605
www.mrcmaine.org

MRC
Municipal Review Committee, Inc.
ENSURING AFFORDABLE, LONG TERM, ENVIRONMENTALLY SOUND DISPOSAL OF MSW

866-254-3507
207-664-1700 Voice
207-664-2099 Fax
glounder@mrcmaine.org E-Mail

MEMORANDUM

TO: All Joining Members
FROM: Greg Lounder, Executive Director
RE: **Interim MSW Delivery to Crossroads and JRL as of April 1, 2018**
DATE: 28 March 2018

I am writing to provide final information regarding arrangements for all Joining Members to manage MSW as of April 1, 2018. The Fiberight/Coastal Facility in Hampden ("Coastal") will not be available to accept MSW on April 1 or for an interim period of up to 6 months.

As shown in the attachment, the MRC has identified approximately 39 Joining Members that are capable of having their MSW delivered directly to the Crossroads Landfill and has helped another 10 Joining Members to arrange for MSW delivery through the use of nearby transfer stations. These Joining Members are instructed to proceed with the arrangements to have MSW delivered to the Crossroads Landfill as of April 1, 2018, until further notice, and to comply with all applicable delivery requirements of the Crossroads Landfill. Coastal and WMI are working together to ensure that the Joining Members are invoiced appropriately and receive clear instructions for payment of the $70 per ton tipping fee during the interim period.

For the remaining Joining Members, as shown in the attachment, the MRC has developed an arrangement for interim MSW delivery involving use of the Juniper Ridge Landfill (JRL). This arrangement was reached with the consent of (WMI), our primary contracted back-up disposal facility during the bypass period. Coastal, and JRL are working together to ensure that the Joining Members are invoiced appropriately and receive clear instructions for payment of the $70 per ton tipping fee during the interim period

We appreciate your patience and support while we reached an interim MSW delivery resolution. We also appreciate your readiness to respond on short notice on this directive from the MRC regarding this arrangement being made available for your community and we thank you for your continuing cooperation during this time of transition. Please contact us at 664-1700 with questions.

Interim Waste Delivery Locations
Version 3.0 - March 27, 2018
Effective April 1, 2018

Town	Delivery Point
Abbot	Crossroads
Albion	Crossroads
Alton	JRL
Arrostook County	Millinocket*
Atkinson	Crossroads
Bangor	JRL
Bar Harbor	Crossroads
Belfast	Crossroads
Blue Hill/Surry	JRL
Boothbay Regional	Crossroads
Bowerbank	Crossroads
Bucksport	JRL
Bradley	JRL
Brewer	JRL
Brooks	Crossroads
Brownville	Crossroads
Burlington	JRL
Carmel	JRL
Central Penobscot	JRL
Cherryfield	JRL
Chester	Millinocket*
China	Crossroads
Clifton	JRL
Corinna	Crossroads
Cranberry Isles	EMR to Crossroads
Dedham	JRL
Dexter	Crossroads

Town	Delivery Point
Dixmont	JRL
Dover - Foxcroft	Crossroads
Eddington	JRL
Exeter	Crossroads
Freedom	Crossroads
Franklin	JRL
Frenchboro	EMR to Crossroads
Garland	Mid Maine SWA
Guilford	Mid Maine SWA
Hampden	JRL
Holden	JRL
Hudson	JRL
Knox	Crossroads
Lee	Millinocket*
Levant	Mid Maine SWA
Lowell	JRL
Lucerne	JRL
Mariaville	JRL
Mattawamkeag	Millinocket*
Millinocket	Crossroads
Milo	Crossroads
Monson	Crossroads
Montville	Crossroads
Mt Desert	EMR to Crossroads
Northern Katahdin	Crossroads
Oakland	Crossroads
Orono	JRL

Town	Delivery Point
Otis	JRL
Palmyra	Crossroads
Parkman	Crossroads
Piscataquis County	JRL
Pleasant River SWD	JRL
Sangerville	Crossroads
Searsmont	JRL
Sebec	Crossroads
Sherman	Northern Katahdin
Sorrento	JRL
Southwest Harbor	EMR to Crossroads
Springfield	Millinocket*
St. Albans	Crossroads
Steuben	JRL
Sullivan	JRL
Swans Island	JRL
Thorndike	Crossroads
Tremont	EMR to Crossroads
Trenton	EMR to Crossroads
Troy	Crossroads
Unity	Crossroads
Waldoboro Group	Crossroads
Union River SWD	JRL
Vassalboro	Crossroads
Verona Island	JRL
Wiscasset	Crossroads

B-4-a

FINANCE & ADMINISTRATION COMMITTEE MEETING

Monday, March 5th, 2018

MINUTES

Hampden Town Office

Attending:

Councilor, Terry McAvoy Chair
Mayor Ivan McPike
Councilor Mark Cormier
Councilor David Ryder
Councilor Dennis Marble
Councilor Stephen Wilde
Councilor Greg Sirois

Town Manager Angus Jennings
Town Atty Ed Bearor
Rec Director Shelley Abbott
DPW Director Sean Currier
Rec Comm member Jane Jarvi
TIF consultant Noreen Norton

Chairman McAvoy called the meeting to order at 6:30 p.m.

1. **Meeting Minutes**

   a. **February 20th, 2018** – *Motion by Mayor McPike seconded by Councilor Ryder to approve the minutes. Approved 7-0.*

2. **Review & Sign Warrants** – *Warrants were reviewed and signed.*

3. **Old Business**

   a. **Discussion of validity of February 20, 2018 vote to recommend to Council to rescind the vote of October 3, 2016 to authorize cutting, stumping and grinding and site preparation at the Lura Hoit Pool site but to retain authorization for permitting for additional parking, potential recreational facilities, and associated infrastructure – *requested by Councilor Sirois*** – *Chairman McAvoy introduced the topic for discussion and turned it over to Councilor Sirois. Councilor Sirois said that the motion approved at the Services Committee did not include reference to "site preparation." Upon inquiry to the Town Manager Councilor Sirois became aware of extensive emails leading to a change in the February 20th agenda wording. He called into question the validity of the February 20 vote. Town Atty. Ed Bearor agreed that the motion had been changed and wasn't exactly what came out of Services. He said that the motion as initially proposed was accurate to the best of the Town Manager's knowledge. However he said there are no rules that govern this. He said that if this body wishes to revise a motion it has the ability to do so. He said that it's probably not good practice to change a motion from what is included in the minutes. The Council*

could choose to change a motion at a meeting, and could choose to revisit a previous motion. Councilor Wilde said he had not ever provided any motion language to the Manager, and Atty. Bearor said he thought the Manager was trying to straddle the waters. Councilor Sirois said that all Councilors were at the Services meeting and know what was referred. He made a motion to send the matter back to the Services Committee to reconsider, and Mayor McPike seconded the motion.

Councilor Cormier said he thinks this is an attempt to get more people to vote on the question. Councilor Sirois said he was on a scheduled vacation for the Finance Committee vote so could not attend and this had been known to the Mayor and Manager in advance. He said it went to Council, the motion was changed, and it was still voted down. Councilor Marble said he thought we were ready to move forward on this matter three months ago. There are substantive areas of disagreement, but layers on top of that is parliamentary maneuvers that run a risk of damaging the issue even more. He said he would not support the motion, saying that the Council needs to decide on substance if it supports recreation.

Chairman McAvoy read a statement into the record (attached to these minutes), noting that Committees don't make policy, they make referrals to Council, and that changes from Committee referrals to Council votes happen with all Committees.

Councilor Ryder expressed agreement with Councilor Marble. He said it's not worth a fight, and may need to wait for a new Council to come on board. He said the issue has become more of a problem than it's worth.

Councilor Wilde said a motion to reconsider has to be made by someone who was on the winning side of the vote. Chairman McAvoy said that's not what we're doing. The Committee would have to modify its prior vote. Any motion is subject to change until the vote is taken. Councilor Sirois said that changes are to be made in the presence of all Councilors.

A vote was called on the motion and the motion failed 2-5 with Councilor Sirois and Mayor McPike in favor.

4. New Business

a. Recommend to Council to amend the FY18 Sewer Budget to increase budgeted expenses by $73,500 to authorize the expenditure of revenues projected in FY18, but not included in

the expense budget, for the purpose of supporting engineering services for sewer capital projects and support for creating a sewer Fiscal Sustainability Plan and CSO Master Plan – *referral from Infrastructure Committee* *– Motion by Chairman McAvoy seconded by Councilor Marble to refer the proposed sewer budget amendment to the Town Council. Councilor Ryder said he'd like to see the funds go into a sewer reserve account. He made a motion to that effect, seconded by Councilor Wilde. Manager Jennings raised concern that putting the funds into reserve instead of the operating budget would cost an extra 4-6 weeks before the funds could be put to use. He said that the purpose of the funds – for a CSO Master Plan and Fiscal Sustainability Plan needed for eligibility for Sewer SRF borrowing – was documented extensively at last week's Infrastructure Committee meeting and he understood the Councilors supported the efforts being made to secure the best possible borrowing rates. Councilor Marble said he also recalled, like Councilor Ryder, that the Infrastructure Committee's referral was to put funds in reserve, but is not looking to be inefficient. Manager Jennings agreed that this was his recollection as well and said that the wording on tonight's agenda may have been in error. However his initial request had been to put the funds in operating budget so work could be authorized on the sewer plan, and on engineering related to the proposed sewer capital projects. Councilor Ryder said he didn't realize all that work had to be done now. Mayor McPike said he's concerned about getting the Fiscal Sustainability Plan done since that could improve interest rates on borrowing by 2 points. Councilor Ryder rescinded his motion. Chairman McAvoy made a motion to recommend item 4.a as written. The motion was seconded by Councilor Marble, and passed 7-0.*

b. **Recommend to Council to amend the 60-79 revenue line in the FY18 budget to reflect anticipated collection of $53,305 in unbudgeted sewer connection fees and to increase budgeted expenses by $53,305 to authorize the expenditure of FY18 projected revenues, but not included in the expense budget, for the purpose of supporting mitigation of anticipated Fiberight/Coastal flow impacts on existing infrastructure, and engineering services for other sewer projects – *referral from Infrastructure Committee*** *– Motion by Chairman McAvoy seconded by Councilor Marble to refer the proposed sewer budget amendments to the Town Council. Motion passed 7-0.*

c. **Town Manager's report on priorities identified at the February 10th, 2018 Goals & Objectives Session** *– Manager Jennings provided each Councilor the survey sheet they had completed along with his tabulation of what they reported, and asked that they proof*

check it for accuracy and provide him any revisions by the end of this week. He said he will report on what the findings show about the Council's priorities – not just goals – at the next meeting.

5. **Public Comment** – *None.*

6. **Committee Member Comments** – *None.*

7. **Adjournment**

There being no further business, the meeting was adjourned at 6:57 PM.

Respectfully submitted –
Angus Jennings, Town Manager

B-4-b

INFRASTRUCTURE COMMITTEE MEETING

Monday, February 26, 2018

MINUTES

Attending:

Councilor Mark Cormier, Chairman
Mayor Ivan McPike
Councilor Dennis Marble
Councilor Terry McAvoy
Councilor David Ryder
Councilor Stephen Wilde
Councilor Greg Sirois
Town Manager Angus Jennings
DPW Director Sean Currier
Town Attorney Ed Bearor
Public Safety Dir. Joe Rogers
Town Clerk Paula Scott
Dudley Patterson, PW Foreman

Chairman Cormier called the meeting to order at 6 PM.

1. **MINUTES**
   a. **January 29, 2018 Meeting** – *Motion by Councilor McAvoy seconded by Councilor Sirois to approve the minutes as written. Motion carried seven in favor and none against.*

2. **OLD BUSINESS**
   a. **Update on Hampden Capital Program work underway.**
   Town Manager Jennings had no new information to report.

   b. **Update on CSO Annual Report due to DEP on March 1, 2018**
   Town Manager Jennings stated that the CSO annual report is in process. Director Currier does most of the report, the Town Manager adds the financial information to the report.
   Director Currier stated that this is a legal document he is signing. On the form it states that we (the town) are abiding by the updated CSO master plan. The Town does not have "updated CSO Master Plan"
   Councilor Sirois asked Director Currier if he can add a note stating that the Town does not have an Updated CSO Plan. Director Currier stated that there is a section for notes and he will note that we are seeking funding this budget cycle to update the Plan. Manager Jennings stated that this also ties in to a later agenda item which is the Fiscal Sustainability Plan and that this can count as both.
   Mayor McPike asked what CSO stands for, to which Manager Jennings answered, "Combined Sewer Overflow"
   Director Currier stated we have one CSO left, the Town did have 6 CSO locations in the past.

c. **Update regarding implementation of Flow Control Ordinance**
Town Manager Jennings stated that this is underway. He is working on getting a letter out to the commercial haulers along with an application this week. Town Manager Jennings stated he was looking to get licensing done in March although it won't be a problem if it extends past April 1 since the new Fiberight facility won't be accepting waste, and the Town's MSW will continue to be hauled to PERC until further notice.

d. **Update on installation of floating dock at Marina**
Director Currier told the Committee that the docks have been delivered. The docks will be installed when the weather permits, and coordinated with Hamlin's Marina.

Councilor Sirois had previously requested that legal counsel be present for the discussion on the next few agenda items .

f. **Next item was 2 f – taken out of order) Discussion of licensure of Public Works employees** – *request of Councilor Ryder*
Councilor Marble stated for the record that he does not think this is an appropriate agenda item for this committee since it as a management issue and there are staff members present.
Councilor Sirois agreed with Councilor Marble.
Councilor Ryder stated that he just wanted to know where Public Works was at with Class II licensing of employees. Councilor McAvoy stated that he thought there had been a vote by Council regarding this issue. Manager Jennings said that there had been a committee discussion in July. There was no vote, just a goal to get everyone with a Class II. He stated that he has reported twice in the last two months that it is underway, but that he is not getting into specifics about which employees. He stated that he does not want to withhold information if someone is entitled to it, but that is why he has looked to Ed, to help determine if it is within the Council's scope, or the Manager's scope. Councilor Ryder said he just wanted to know where we were at, saying that when it was discussed previously, it was because there were people out and it would make it easier for Sean. He said his understanding was that there was a policy about it.

Councilor Ryder stated that if there is a policy he wants it enforced, stating he thought it was 6 months from date of hire. Manager Jennings said there is no policy, that it is in the job description.

Director Currier explained that it says in most DPW job descriptions, 90 days or at the discretion of the Public Works Director. Transfer Station job descriptions currently do not have that requirement, but we are working to incorporate that. Manager Jennings stated that there were a couple of operator position descriptions that had similar language that were revised to have a date specified. He offered that he does not believe that timelines for employees to reach certain goals is something to be discussed at committee level.
Councilor Sirois stated he does not think discussion of management is the responsibility of anyone on this Committee. Attorney Bearor asked if the question is about a specific employee, or to state a position of the Council, such as 'as a policy, we would like to have everyone in Public Works obtain a Class II license by a certain time'.

Town Manager Jennings asked Director Currier if it has affected operations? Director Currier explained that it has not at this time. We will be getting new vehicles that would require CDL license. In regard to the employees in question, only one had an offer letter specifying a timeframe for CDL acquisition. All are currently working on the CDL and the one required to has obtained his permit.
Mayor McPike stated that if you want something discussed, bring it to the Chairman.
Town Manager Jennings stated he is concerned about providing information on individual employees at a public meeting, and because of the size of the department he cannot give specific information without it being identifiable as related to specific personnel, therefore he has provided general updates.
Councilor Ryder stated he thought he was told six (6) months, if it hasn't been a problem, then he is fine with it.
Town Manager stated that he and the Director agree it's in the best interest of the Public Works Department to get employees licensed and that the work to do so continues to be underway. Councilor Ryder stated he is trying to get to a point where it doesn't hurt the Public Works department Attorney Bearor clarified that this is not a policy but wording in a job description and Director Currier agreed. Councilor McAvoy wanted to know if an employee goes beyond 90 days, should he presume the Department has no further interest in it? Councilor McAvoy directed several more pointed questions to the Director and Councilor Marble interjected stating that he stands by his original comment.
Councilor Sirois said that it is not the job of anyone sitting around the table to get involved in the management of employees in a

Department. He said it is the job of the Department Head and the Town Manager to do so. He said it is the Council's job to set policy. He said if we want to set a policy that we want them to all get a license within x number of days, we need to do it and move on. The Town hired Mr. Currier to run a Department and we need to let him do it. Councilor Marble asked if we want to air out problems in public. He said we have undermined a lot of trust in the town and when he asks for information from the Town Manager he gets it. It is the obligation of a Councilor to work with staff as a team.

e. **Discussion of reorganization of Public Works** – *request of Councilor McAvoy*

Councilor McAvoy asked what is the mission of the Public Works Department going to be in the future? The same or more efficient? He said he thinks half of plowing personnel could be let go. "It seems pretty straightforward. Put out a bid for plowing and award the bid." Councilor Marble stated the Town Manager has suggested a process by which Public Works could be evaluated.

Town Manager Jennings stated we need a credible process, personnel are affected and a change to a structure that was more reliant on contracted vendors would be a major change and would need to be managed carefully to maintain historical levels of service.

Councilor McAvoy stated it can be analyzed but you are just making money for a lot of people. He said it's just like doing the mowing, there is nothing complicated about it. You put out an RFP, award the bid. The mowing was put out to bid four years ago. The Public Works Director at the time said he could do it for less money. Councilor McAvoy stated he did not see where the Town could do it cheaper, he did not see it reflected anywhere. He does not see the need to analyze it any further.

Town Manager Jennings stated, this why he put some of the background information in the packet. The previous Town Manager and the Public Works Director put together a comparative analysis based on costs, services, road miles etc. from several "peer" towns. Some updates had been made to it, but he did not assign staff to update the work in its entirety because it would take staff time to do so and based on the responses when staff have done this type of comparative analysis he does not think that the Committee would see any work by staff as credible, even though he said that during his time here he thinks the work that he and staff have done has been nothing but credible. There is not enough time or resources for staff or

Management to do time-intensive analysis especially if it won't be received by Councilors as legitimate.
Councilor McAvoy stated he has never seen the backup of how the numbers were arrived at. He said he is skeptical of what is produced by staff. He said the Manager is right, he has not seen the backup after a year, year and a half.
Councilor Marble stated he reached out to Orono, and Brewer to see if the numbers are competitive. The numbers correspond almost exactly to what was given us in the packet.
Town Manager Jennings stated he was looking for a scope of what the Committee was looking for. He stated his feel is the added data is a couple of years old. The Department budget has gone up over the last two years. Manager Jennings stated his recommendation is that the Council should engage a third-party consultant specialized in evaluating organizational structure in order to take a serious look at this issue.

3. **NEW BUSINESS**
   a. **Consideration of referring to Finance Committee a recommendation to amend the FY18 Sewer Budget to:**
      - **Increase budgeted expenses by $73,500 to authorize expenditure of revenues projected in FY18 but not included in expense budget, for the purpose of supporting engineering services for sewer capital projects, support for creating a sewer Fiscal Sustainability Plan and/or Asset Management Plan, and dedication of funds toward a sewer reserve**
      - **Increase budgeted revenues in the 60-79 revenue line to reflect anticipated collection of $53,305 in unbudgeted sewer connection fees**
      - **Increase budgeted expenses by $53,305 to authorize expenditure of revenues projected to be generated in FY18 but not included in approved expense budget, for the purpose of supporting mitigation of anticipated Fiberight/Coastal flow impacts on existing infrastructure, and engineering services for other sewer projects**

Town Manager Jennings explained the proposal to the Committee.

Mayor McPike asked if borrowing through the State Revolving Fund is two (2) points lower on borrowing?
Town Manager Jennings stated that yes, at least two.

Mayor McPike made a motion to refer to Finance Committee to add $73,500 to sewer reserve. This motion was seconded by Councilor Ryder. Motion was passed seven in favor and none against.
Discussion after the vote:
Town Manager Jennings asked about the connection fee to the sewer. Councilor Ryder asked does the force main from the Coldbrook Road area feed directly to the manhole on Route 1A that is referenced in the packet materials? Director Currier stated it is gravity fed but the volume of discharge could cause problems if changes to the manhole configuration are not made in advance.
Councilor Ryder made a motion to amend the sewer revenue budget to reflect anticipated receipt of $53,305 and to amend the sewer expense budget to authorize the transfer to sewer reserve in the amount of $53,305.00. This motion was seconded by Councilor McAvoy. The vote was seven in favor and none against. Director Currier stated he would come back with a cost of manhole repairs.

b. **Review of MDOT letters regarding authorization of trucks over weight limit on local roads related to MDOT project 023326.00 (hot mix asphalt overlay, Hampden and Newburgh) and MDOT project 023318.00 (hot mix asphalt overlay, Hampden and Hermon)**
Councilor Ryder stated they will need gravel. He asked when are they planning to do it? Manager Jennings said that MDOT has not yet provided specific information about construction timing or routes. Councilor Marble made a motion to refer to Council, this was seconded by Councilor Sirois. The vote was seven in favor and none against. (7- 0)

c. **Discussion of potential costs and benefits of preparing and implementing a Fiscal Sustainability Plan to meet requirements for potential sewer infrastructure financing through the State Revolving Fund**
Town Manager Jennings explained the need to know what the Committee wants to do.
Councilor Ryder stated it would be good to see comparative cost of interest rates.
Councilor McAvoy stated it may be wasted money on the plan if we don't pursue the SRF financing. Town Manager Jennings stated it would be a helpful document on its own merits as it will serve as a system-wide Sewer Capital Program, which is greatly needed.
Councilor Marble asked if we can seek Environmental Trust money?

Town Manager Jennings stated that it may be eligible since this would improve environmental quality in the town; he said it would ultimately be up to the Trust Committee and to the Town Council to approve any funding request but we can ask.
Director Currier stated it's a useful document.
Councilor Ryder stated to save money on interest we should pursue.
Voted seven in favor and none against.

d. **Discussion of sleeping while on the clock by Public Works –** *request of Councilor Ryder*

This item was taken up after 2 e.

Councilor Ryder stated he had some complaints from citizens about the Public Works crew coming through after they plowed/cleared their driveway, and Public Works was filling the end of their driveways again with snow. He feels that if it is snowing the plow trucks need to be rolling and if plowing all night there would not be such a build up.
Attorney Bearor stated that the reason he is there is to keep this discussion at a certain level. It needs to be one discussing what time and how the Town of Hampden is plowing its roads, not who is sleeping and when.
Mayor McPike asked what are we currently doing?
Director Currier stated that one person operates the plow truck without redundancy as opposed to DOT which works 15 hours shifts with8 hours off and another driver takes over that truck. We are considered emergency services and do not have the CDL requirement of time on and time off. But for safety and best practices, if a driver comes in at 4 am to 10 pm will want them to take a break because they are exhausted. We need people there overnight to respond to emergency services. Typically traffic has died down from 10pm-2am and that is when we are recouping.
Chairman Cormier asked about the call-in if it is 4 hours.
Director Currier stated yes, it is a four-hour call-in if I send them home at 10, they come back at 2, it would be 4 hours call-in. Chairman Cormier clarified that they are not getting paid for not working and Director Currier agreed. Director Currier stated that these guys are not getting paid for sitting at home waiting to be called in. He said they don't get on call time for November to May, even though they must be available., They cannot plan anything with their families in case they may get called in.

Councilor McAvoy stated that they don't get paid for waiting to get called in, but they get paid for lying in a cot, waiting to go out and plow?
Director Currier stated he did not know how to respond to that referring to the tone of the comment.
Councilor McAvoy stated a simply yes or no would be good.
Councilor Sirois twice called for a point of order, saying Councilor McAvoy should not be talking like that to anybody, including town staff, and the manager in that tone and the way he is coming across.
Town Manager Jennings stated that in some of what he read on whether and when it is appropriate to pay wages for down time spent, key questions include whether an employee has control over their time if they are between shifts, and if they have ability to go home and have time off during a storm event, are they compensated when they do not have practical ability to control their time off.
Attorney Bearor stated this is a very complicated topic. The Town needs to pay them whether they are sleeping or changing the oil if required to be there. If they are going to be at the job site, they need to be paid.
Councilor Ryder stated he does not understand it.
Director Currier pointed out the liability issue if a driver hits someone due to fatigue on his way home.
Councilor Ryder a lot of other departments send their people home the next day, if the council is fine then I guess I am fine with it.
Councilor McAvoy stated he was not fine with it.
Councilor Marble stated he was fine with the Department Head making the call.
Councilor Sirois stated he is fine with leaving it to the Department Head.
Chairman Cormier stated he was in favor with whatever is the most cost effective for the town.
Mayor McPike stated he has concerns, we don't pay people to be on call.
Director Currier stated that the crew are expected to be there if they are called in 24/7.
The Town Manager stated that it is in the job description, and it is a clear expectation that DPW employees are on call as needed.
Mayor McPike asked if someone plows for 12-14 hours, then rest for 4 hours is that overtime?
Director Currier stated that yes it would be.
Councilor Marble explained about the tough staffing at the Homeless Shelter, and what they did. He stated he made individual calls on whether staff slept overnight. "We beat hell out of town staff".

e. **Discussion of third-party inspections (Building and Electrical, etc.)** – *request of Councilor McAvoy*
Councilor McAvoy stated his proposal would be that the town discontinue doing inspections and instead refer to third party inspectors. Employees are highly trained firefighters and EMTs and they should be available for their primary functions.
Town Manager Jennings stated we are in union contract discussions and if the Council is serious about a change such as this it should be introduced in those discussions.
Chief Joe Rogers stated he appreciates the interest in freeing up firefighters' time, but we would still have to do plumbing and life safety inspections. Third party inspectors work for the builder, our personnel work for the community. Our inspections ensure Code is properly applied. Life safety comes first. It would free up some time, but we do try to schedule properly. Still the Town's name is on the Certificate of Occupancy, if the homebuyer has problems they will come back on us.
Councilor McAvoy asked what happens if the builder has scheduled an inspection and an emergency call comes in?
Chief Rogers stated that we are very accommodating. People understand, emergencies comes first.
Councilor McAvoy stated that third party inspectors are incentivized to be there on time. The town's inspectors are taking multiple vehicles to these inspections. Would it not be cleaner to have a third party do these inspections? Councilor McAvoy stated that the Town did not inspect his plumbing.
Chief Rogers explained that in the past, the Town has had back up contract employees do inspections on plumbing. Chief Rogers stated that the Town is getting a pretty good deal by having fire personnel do these inspections. People are trained in several areas, serving in many capacities, within the town.
Councilor Sirois stated point of order after comments by Councilor McAvoy.
Councilor McAvoy stated the Town would be better letting the private sector handle the inspections.

4. **STAFF UPDATES**
There were none

5. **PUBLIC COMMENTS**
There were none

6. **COMMITTEE MEMBER COMMENTS**
   Councilor Ryder asked if culvert refer to culvers or underdrains. Director Currier stated there is a difference between underdrains and culverts.

7. **ADJOURN**

There being no further business, the meeting was adjourned at 7:42 p.m.

Respectfully Submitted,
Rosemary Bezanson, Public Works

B-4-c

Town of Hampden

Planning and Development Committee

Wednesday February 21, 2018, 6:00 pm

Municipal Building Council Chambers

Minutes

Attending:

Committee/Council	Staff
David Ryder - Chair	Angus Jennings, Town Manager
Dennis Marble	Karen Cullen, Town Planner
Terry McAvoy	
Mark Cormier	Public
Ivan McPike	Chip Laite, Sargent Corp.

Chairman Ryder called the meeting to order at 6:01 pm.

1. Minutes for the February 14, 2018 meeting – **Motion** to approve as submitted made by Councilor McAvoy; second by Mayor McPike; carried 5/0/0.

2. Committee Applications: None

3. Updates:

    a. MRC/Fiberight: Construction on the building is continuing with siding going up this week. Manager Jennings noted there is a public hearing in Bangor on Feb. 28th for an application for an amendment to the Juniper Ridge Landfill permit to remove the timeframe for solid waste acceptance at the landfill, currently set at March 31, 2018. After discussion it was left that if any councilors plan to attend to provide testimony they should notify Manager Jennings since Shelby Wright (representing MRC) will be asking whether there will be any representation from Hampden.

    b. Staff Report: nothing new to report.

4. Old Business: None.

5. New Business: (items taken out of order)

    a. **Motion** by Mayor McPike to enter into Executive Session pursuant to 1 MRSA Section 405(6)(C) to discuss potential disposition of publicly held property in the Hampden Business Park about which premature disclosure might prejudice the Town's bargaining position; the executive session to include Town Planner Karen Cullen and Sargent Corp representative Chip Laite. Seconded by Councilor McAvoy; motion carried 5/0/0 by roll call vote.

Motion by Mayor McPike to exit executive session, seconded by Councilor McAvoy; motion carried 5/0/0 by roll call vote. Manager Jennings stated the committee exited executive session at 6:46 pm.

Motion by Councilor Marble to refer to Town Council a recommendation to add the open space in the northern most corner of the Hampden Business & Commerce Park to the existing option agreement between the Town of Hampden and Sargent Corporation dated Dec. 1, 2016 to incorporate that open space into Lot 34, thus reducing the amount of open space in the Park; to relocate the right-of-way extending from the cul-de-sac to the boundary with Ammo Park as shown on a plan prepared by CES Inc. dated Feb. 12, 2018 and titled "Proposed Subdivision Amendment, Hampden Business & Commerce Park"; and to eliminate two easements within the Park: the pedestrian easement from Commerce Court to Carey Circle shown on sheet 1 (recorded plan 2014-60), and the trail easement extending across the corner of lot 28 on sheet 2 (recorded plan 2014-61); all conditional upon Planning Board approval of an amendment to the subdivision plan. Seconded by Councilor McAvoy; motion carried 5/0/0.

b. Review of Exclusive Authorization to Sell with Epstein Commercial Real Estate, for lots within the Hampden Business Park. Manager Jennings said he had spoken with Herb Sargent several weeks ago and the result of that discussion is a recommendation to allow the existing agreement between the Town and Epstein to lapse and Sargent Corporation to handle this themselves, since the option agreement between the Town and Sargent is in place and there's no good reason for the town to be involved in the real estate marketing or sales aspects. He noted this will include the six lots the Town owns that are not part of the option agreement with Sargent, since the proceeds from the sale of those lots will go to Sargent anyway. The consensus of the committee was to let the current agreement with Epstein lapse, and no action is necessary.

6. Zoning Considerations/Discussion: Planner Cullen said the Planning Board met for 2.5 hours last night and reviewed the site plan review and conditional use sections in Article 4; after a thorough review they are happy with the proposed changes which are extensive and will make applications easier for people. She noted the proposed language creates a three tier system where very small proposals will go to the CEO for review and approval, moderate proposals will go to a new Staff Review Committee, and all new development (on vacant land) and large modifications to existing sites will go to the Planning Board. Planner Cullen also handed out a draft brochure and said this is the first of 6 or so to be created over the next few weeks. She expects these to be published right after the next Planning Board workshop, scheduled for March 20.

7. Citizen Initiatives: None.

8. Public Comments: None.

9. Committee Member Comments: None.

10. Adjournment: Motion to adjourn the meeting at 6:50 pm made by Councilor McAvoy, seconded by Councilor Cormier; motion carried 5/0/0.

Respectfully submitted by
Karen Cullen, Town Planner

D-2-a

TOWN OF HAMPDEN, MAINE

APPLICATION FOR VICTUALER'S LICENSE

DATE: 3/22/18 PHONE NUMBER: (702) 523-5662

NAME(S): Cholada L. Wong (Fresh Ginger Fusion, Inc.)

ADDRESS: 100 Ballfield Rd.

NAME OF BUSINESS: Fresh Ginger Fusion

LOCATION OF BUSINESS: 64 Main Rd. North

SIGNATURE: X

****

(FOR TOWN USE ONLY)

*This facility has been inspected and meets ordinance criteria.

Code Enforcement Officer

Fire Inspector/Building Inspector

*All sewer user fees and personal property taxes are paid in full to date.

Barbara A. Gagnon
Tax Collector

Paula A. Scott, Clerk
Town Treasurer

****

Please return completed form to: **Town Clerk**
Town of Hampden
106 Western Avenue
Hampden, ME 04444

LICENSE FEE: $150.00 Date Received/Fee Paid: 3/22/18 / $100.00

D-2-b

DIVISION USE ONLY	
License No:	
Class:	By:
Deposit Date:	
Amt. Deposited:	
Cash Ck Mo:	

BUREAU OF ALCHOLIC BEVERAGES AND LOTTERY OPERATIONS
DIVISION OF LIQUOR LICENSING AND ENFORCEMENT
8 STATE HOUSE STATION, AUGUSTA, ME 04333-0008
10 WATER STREET, HALLOWELL, ME 04347
TEL: (207) 624-7220 FAX: (207) 287-3434
EMAIL INQUIRIES: MAINE.LIQUOR@MAINE.GOV

NEW application: ☐ Yes ☐ No

PRESENT LICENSE EXPIRES _____

INDICATE TYPE OF PRIVILEGE: ☐ MALT ☐ VINOUS ☐ SPIRITUOUS

INDICATE TYPE OF LICENSE:

- ☒ RESTAURANT (Class I,II,III,IV)
- ☐ HOTEL-OPTINONAL FOOD (Class I-A)
- ☐ CLASS A LOUNGE (Class X)
- ☐ CLUB (Class V)
- ☐ TAVERN (Class IV)
- ☐ RESTAURANT/LOUNGE (Class XI)
- ☐ HOTEL (Class I,II,III,IV)
- ☐ CLUB-ON PREMISE CATERING (Class I)
- ☐ GOLF CLUB (Class I,II,III,IV)
- ☐ OTHER: _____

REFER TO PAGE 3 FOR FEE SCHEDULE

ALL QUESTIONS MUST BE ANSWERED IN FULL

Corporation Name: Fresh Ginger Fusion, Inc.	Business Name (D/B/A) Fresh Ginger Fusion
APPLICANT(S) (Sole Proprietor) DOB: Fresh Ginger Fusion Rest.	Physical Location: Hampden Maine 04444
DOB: 64 Main Rd North	City/Town State Zip Code: 64 main Rd. North
Address: Hampden ME 04444	Mailing Address: Hampden ME 04444
City/Town State Zip Code: (702) 523-5662	City/Town State Zip Code: (207) 862-6208
Telephone Number Fax Number	Business Telephone Number Fax Number
Federal I.D. #	Seller Certificate #: or Sales Tax #:
Email Address: Please Print Lisagobb@hotmail.com	Website:

If business is NEW or under new ownership, indicate starting date: April 15, 2018

Requested inspection date: April 14, 2018 Business hours: 11:00 AM – 9:00 p.m 7 days a week

3. If a premise is a hotel, indicate number of rooms available for transient guests: NA
4. State amount of gross income from period of last license: ROOMS $ _____ FOOD $ _____ LIQUOR $ _____
5. Is applicant a corporation, limited liability company or limited partnership? YES ☒ NO ☐

If YES, complete Supplementary Questionnaire

6. Do you permit dancing or entertainment on the licensed premises? YES ☐ NO ☒
7. If manager is to be employed, give name: Cholada L Wong
9. Business records are located at: 64 Main Rd North, Hampden, ME 04444

7. Is any principal person involved with the entity a law enforcement official?

Yes ☐ No ☒ If Yes, Name: _____ Agency: _____

8. Has any principal person involved in the entity ever been convicted of any violation of the law, other than minor traffic violations, in the United States?

Yes ☐ No ☒

9. If Yes to Question 8, please complete the following: (attached additional sheets as needed).

Name: _____

Date of Conviction: _____

Offense: _____

Location of Conviction: _____

Disposition: _____

_____

Signature:

_____
Signature of Duly Authorized Person

03-22-18
Date

Cholada L. Wong
Print Name of Duly Authorized Person

Submit Completed Forms To:

Bureau of Alcoholic Beverages
Division of Liquor Licensing and Enforcement
8 State House Station, Augusta, Me 04333-0008 (Regular address)
10 Water Street, Hallowell, ME 04347 (Overnight address)
Telephone Inquiries: (207) 624-7220 Fax: (207) 287-3434
Email Inquiries: MaineLiquor@Maine.gov

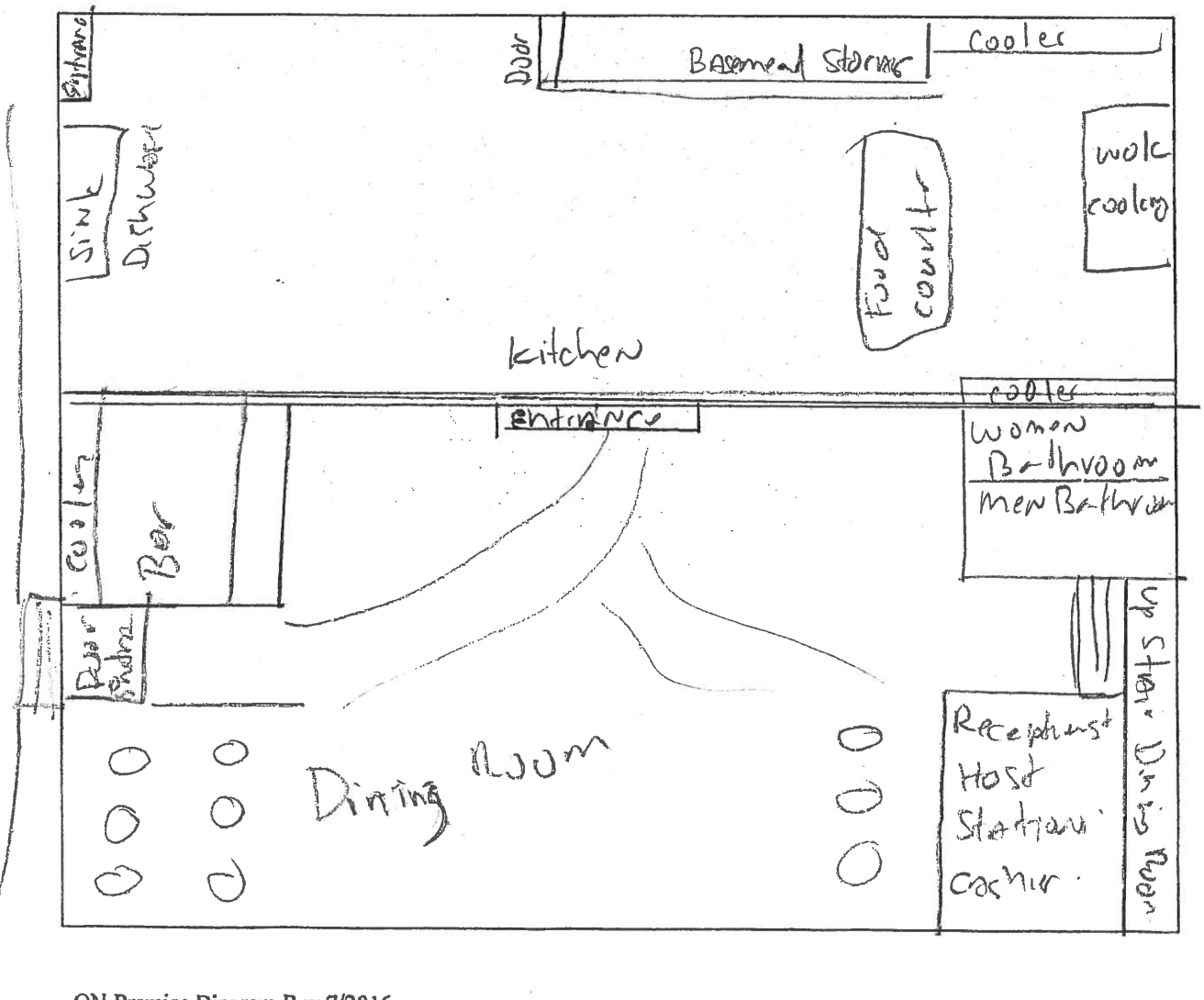
Bureau of Alcoholic Beverages and Lottery Operations
Division of Liquor Licensing & Enforcement
8 State House Station, Augusta, ME 04333-0008
10 Water Street, Hallowell, ME 04347
Tel: (207) 624-7220 Fax: (207) 287-3434
Email Inquiries: MaineLiquor@maine.gov

DIVISION USE ONLY
☐ Approved
☐ Not Approved
BY:

ON PREMISE DIAGRAM

In an effort to clearly define your license premise and the area that consumption and storage of liquor is allowed. The Division requires all applicants to submit a diagram of the premise to be licensed in addition to a completed license application.

Diagrams should be submitted on this form and should be as accurate as possible. Be sure to label the areas of your diagram including entrances, office area, kitchen, storage areas, dining rooms, lounges, function rooms, restrooms, function rooms, decks and all areas that you are requesting approval from the Division for liquor consumption.



State of Maine
Division of Alcoholic Beverages and Lottery Operations
Division of Liquor Licensing and Enforcement

For Office Use Only:

License #: _____

SOS Checked: _____

100% Yes ☐ No ☐

Corporate Information Required for Business Entities Who Are Licensees

Questions 1 to 4 must match information on file with the Maine Secretary of State's office. If you have questions regarding this information, please call the Secretary of State's office at (207) 624-7752. Please clearly complete this form in its entirety.

1. Exact legal name: Fresh Ginger Fusion, Inc.
2. Doing Business As, if any: Fresh Ginger Fusion Restaurant
3. Date of filing with Secretary of State: 3-26-18 State in which you are formed: Maine
4. If not a Maine business entity, date on which you were authorized to transact business in the State of Maine: _____
5. List the name and addresses for previous 5 years, birth dates, titles of officers, directors and list the percentage ownership: (attached additional sheets as needed)

NAME	ADDRESS (5 YEARS)	Date of Birth	TITLE	Ownership %
Cholada L Wong	100 Ball field Rd, Hampden	06/07/66	President	100%

(Stock ownership in non-publicly traded companies must add up to 100%.)

6. If Co-Op # of members: 1 (list primary officers in the above boxes)

STATE OF MAINE

Dated at: Hampden (City/Town), Maine Penobscot (County) ss

On: _____ (Date)

The undersigned being: ☒ Municipal Officers ☐ County Commissioners of the

☐ City ☒ Town ☐ Plantation ☐ Unincorporated Place of: Hampden, Maine

Hereby certify that we have given public notice on this application and held public hearing thereon as required by Section 653 Title 28A, Maine Revised Statutes and herby approve said application.

_____ _____

_____ _____

_____ _____

THIS APPROVAL EXPIRERS IN 60 DAYS

NOTICE – SPECIAL ATTENTION

§ 653. Hearings; bureau review; appeal

1. **Hearing.** The municipal officers or, in the case of unincorporated places, the county commissioners of the county in which the unincorporated place is located, shall hold a public hearing for the consideration of applications for new on-premise licenses and applications for transfer of location of existing on-premise licenses. The municipal officers or county commissioners may hold a public hearing for the consideration of requests for renewal of licenses, except that when an applicant has held a license for the prior 5 years and a complaint has not been filed against the applicant within that time, the applicant may request a waiver of the hearing.
   - A. The bureau shall prepare and supply application forms. [1993, c.730, §27(amd).]
   - B. The municipal officers or the county commissioners, as the case may be, shall provide public notice of any hearing held under this section by causing a notice, at the applicant's prepaid expense, stating the name and place of hearing, to appear on at least 3 consecutive days before the date of hearing in a daily newspaper having general circulation in the municipality where the premises are located or one week before the date of the hearing in a weekly newspaper having general circulation in the municipality where the premises are located. [1995, c.140, §4 (amd).]
   - C. If the municipal officers or the county commissioners, as the case may be, fail to take final action on an application for a new on-premise license, for transfer of the location of an existing on-premise license or for renewal of an on-premise license within 60 days of the filing of an application, the application is deemed approved and ready for action by the bureau. For purposes of this paragraph, the date of filing of the application is the date the application is received by the municipal officers or county commissioners. This paragraph applies to all applications pending before municipal officers or county commissioners as of the effective date of this paragraph as well as all applications filed on or after the effective date of this paragraph. This paragraph applies to an existing on-premise license that has been extended pending renewal. The municipal officers or the county commissioners shall take final action on an on-premise license that has been extended pending renewal with 120 days of the filing of the application. [1999, c589, §1 (amd).]
2. **Findings.** In granting or denying an application, the municipal officers or the county commissioners shall indicate the reasons for their decision and provide a copy to the applicant. A license may be denied on one or more of the following grounds:
   - A. Conviction of the applicant of any Class A, Class B or Class c crime: [1987, c45, Pt.A§4 (new).]
   - B. Noncompliance of the licensed premises or its use with any local zoning ordinance or other land use ordinance not directly related to liquor control; [1987, c.45, Pt.A§4(new).]
   - C. Conditions of record such as waste disposal violations, health or safety violation or repeated parking or traffic violations on or in the vicinity of the licensed premises and caused by persons patronizing or employed by the licensed premises or other such conditions caused by persons patronizing or employed by the licensed premises that unreasonably disturb, interfere with or affect the ability of persons or businesses residing or located in the vicinity of the licensed premises to use their property in a reasonable manner; [1993, c.730, §27 (amd).]
   - D. Repeated incidents of record of breaches of the peace, disorderly conduct, vandalism or other violations of law on or in the vicinity of the licensed premises and caused by persons patronizing or employed by the licensed premises; [1989, c.592,§3 (amd).]
   - E. A violation of any provision of this Title; and [1989, c.592, §3 (amd).]
   - F. A determination by the municipal officers or county commissioners that the purpose of the application is to circumvent the provisions of section 601. [1989, c.592, §4 (new).]

[1993, c730, §27 (amd).]

3. **Appeal to bureau.** Any applicant aggrieved by the decision of the municipal officers or county commissioners under this section may appeal to the bureau within 15 days of the receipt of the written decision of the municipal officers or county commissioners. The bureau shall hold a public hearing in the city, town or unincorporated place where the premises are situated. In acting on such an appeal, the bureau may consider all licensure requirements and findings referred to in subsection 2.
   - A. [1993, c.730, §27 (rp).]
4. **No license to person who moved to obtain a license. (REPEALED)**
5. **(TEXT EFFECTIVE 3/15/01) Appeal to District Court.** Any person or governmental entity aggrieved by a bureau decision under this section may appeal the decision to the District Court within 30 days of receipt of the written decision of the bureau.

An applicant who files an appeal or who has an appeal pending shall pay the annual license fee the applicant would otherwise pay. Upon resolution of the appeal, if an applicant's license renewal is denied, the bureau shall refund the applicant the prorated amount of the unused license fee.

File No. 20180778 D Pages 2
Fee Paid $ 145
DCN 2180853600034 ARTI
-----FILED-----
03/23/2018

Deputy Secretary of State

A True Copy When Attested By Signature

Deputy Secretary of State

DOMESTIC
BUSINESS CORPORATION

STATE OF MAINE

ARTICLES OF INCORPORATION

Pursuant to 13-C MRSA §202, the undersigned executes and delivers the following Articles of Incorporation:

FIRST: The name of the corporation is FRESH GINGER FUSION, INC.

SECOND: ("X" only if applicable)

☐ This is a professional corporation**formed pursuant to 13 MRSA Chapter 22-A to provide the following professional services:

_____
(type of professional services)

THIRD: The Clerk is a: (select **either** a Commercial or Noncommercial Clerk – Person **must** be a Maine resident)

☐ Commercial Clerk CRA Public Number: _____

_____
(name of commercial clerk)

☑ Noncommercial Clerk

JOSEPH M. BALDACCI, ESQ
(name of noncommercial clerk)

6 STATE STREET, SUITE 605, BANGOR, MAINE 04401
(physical location, not P.O. Box – street, city, state and zip code)

P.O. BOX 1423, BANGOR, MAINE 04402
(mailing address if different from above)

FOURTH: Pursuant to 5 MRSA §108.3, the clerk as listed above has consented to serve as the clerk for this corporation.

FIFTH: ("X" one box only)

☑ There shall be only one class of shares. The number of authorized shares is 1000.

(Optional) Name of class: COMMON

☐ There shall be two or more classes or series of shares. The information required by 13-C MRSA §601 concerning each such class and series is set forth in Exhibit ____ attached hereto and made a part hereof.

SIXTH: ("X" one box only)

☑ The corporation will have a board of directors.

☐ There will be no directors; the business of the Corporation will be managed by shareholders. (13-C MRSA §743)

SEVENTH: (For corporations with directors, each of the following provisions is optional – "X" only if applicable)

☑ The number of directors is limited as follows: not fewer than 2 nor more than 4 directors. (13-C MRSA §803)

☑ To the fullest extent permitted by 13-C MRSA §202.2.D, a director shall have no liability to the Corporation or its shareholders for money damages for an action taken or a failure to take an action as a director.

☑ Except as otherwise specified by contract or in its bylaws, the Corporation shall in all cases provide indemnification (including advances of expenses) to its directors and officers to the fullest extent permitted by law. (13-C MRSA §§202, 857 and 859)

EIGHTH: ("X" only if applicable)

☑ The Corporation elects to have preemptive rights as defined in 13-C MRSA §641.

NINTH: ("X" only if applicable)

☐ Additional provisions of these Articles of Incorporation are set forth in Exhibit ____ attached hereto and made a part hereof. (13-C MRSA §202)

TENTH: Name and address of each Incorporator is set forth below or on Exhibit ___ attached hereto.

Lisa Cholada Wong
(type or print name of incorporator)

100 Ballfield Road
(street or mailing address)

Hampden, ME 04444
(city, state and zip code)

(type or print name of incorporator)

(street or mailing address)

(city, state and zip code)

Dated 3/20/2018

*By
(signature of authorized person)

Lisa Cholada Wong
(type or print name and capacity)

**The professional corporation name must contain one of the following: "chartered," "professional corporation," "professional association" or "service corporation" or the abbreviation "P.C.," "P.A." or "S.C.". Examples of professional service corporations are accountants, attorneys, chiropractors, dentists, registered nurses and veterinarians. (This is not an inclusive list – see 13 MRSA §723.7.)

*These articles must be dated and executed pursuant to 13-C MRSA §121.5. By the chair of the board of directors; by an officer; by an incorporator; by a fiduciary; or by the clerk of the corporation.

Please remit your payment made payable to the Maine Secretary of State.

Submit completed form to: **Secretary of State**
Division of Corporations, UCC and Commissions
101 State House Station, Augusta, ME 04333-0101
Telephone Inquiries: **(207) 624-7752** Email Inquiries: CEC.Corporations@Maine.gov

Town of Hampden
106 Western Avenue
Hampden, Maine 04444

Phone: **(207) 862-3034**
Fax: **(207) 862-5067**
Email:
townmanager@hampdenmaine.gov

TO: Finance Committee and Town Council
FROM: Angus Jennings, Town Manager
DATE: March 29, 2018
RE: FY17 Audit

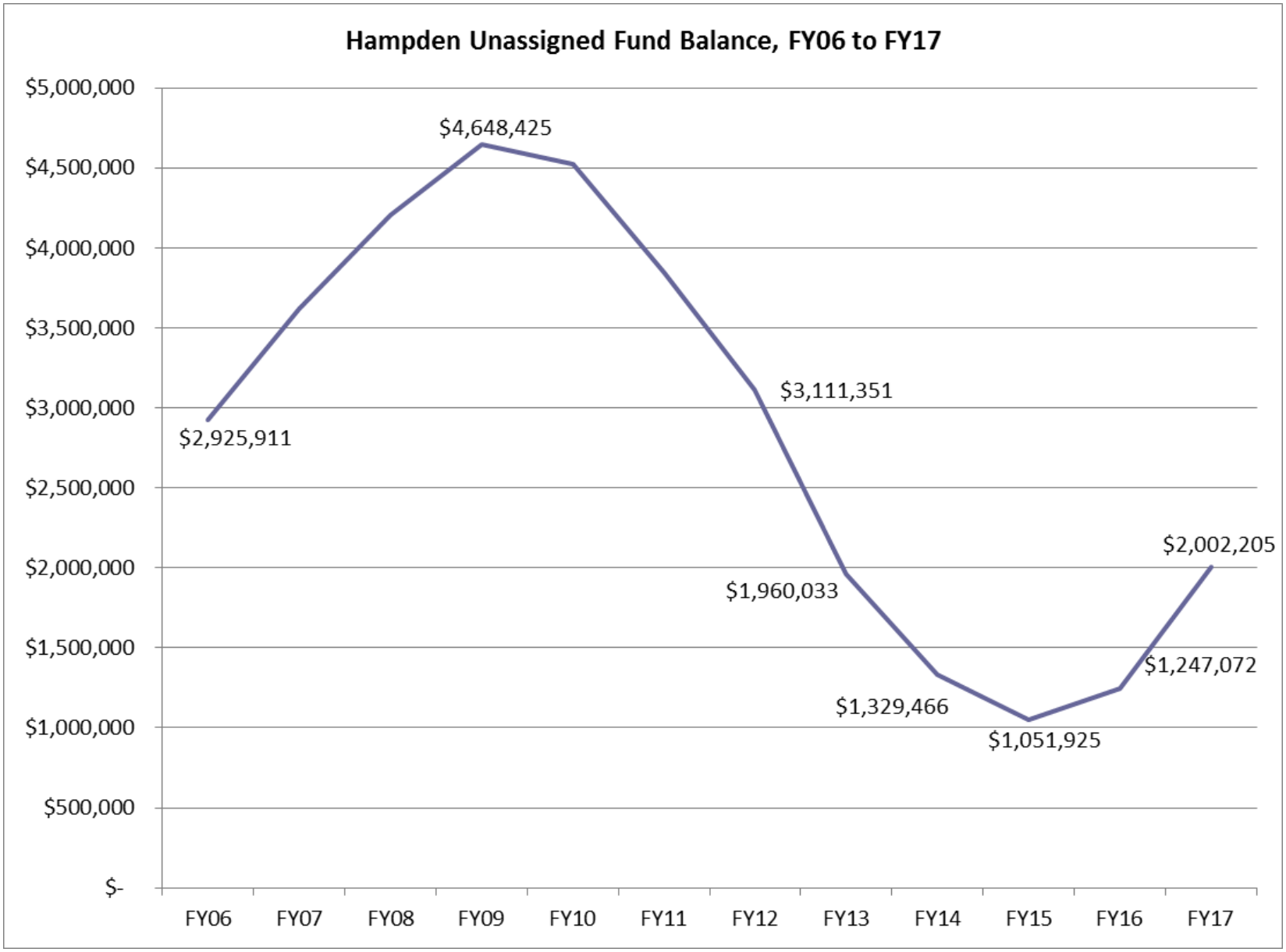
The FY17 Audit was completed this week. The Town's independent auditor, James Wadman, CPA, will attend Monday's Finance Committee and Council meetings in order to present the FY17 Audit, a copy of which is enclosed.

There is a lot of good news in the Audit. Please find enclosed a series of charts summarizing key trends in the areas of Unassigned Fund Balance and the Sewer Fund, each of which I have presented previously, now updated to include FY17 results.

However, the Auditor also provided a Management Letter identifying deficiencies relative to reconciliation of cash accounts, and reserve sub-accounting. Both of these deficiencies were known to us, and have been discussed with the Finance Committee and its various Chairmen during my tenure. The reasons for these deficiencies are also well known, I have discussed them with the Auditor, and they are in agreement.

On the basis of my tenure, and knowing that I and my staff have invested talent and effort to the limits of our capacities, I am now convinced that we are short-staffed in the finance arena, which has been operating at reduced staffing levels since the most recent dedicated Finance Director retired in 2011 and was not replaced. (Our finance director also functions as the Town Accountant and Human Resources Officer, so doesn't have anything close to full-time hours to devote to finance director functions). I will therefore propose a new full-time position in the FY19 budget, to serve as Treasurer and to take on several other functions that will improve operations in multiple departments, and will help put the new Manager in a position to build on the success of the past three years.

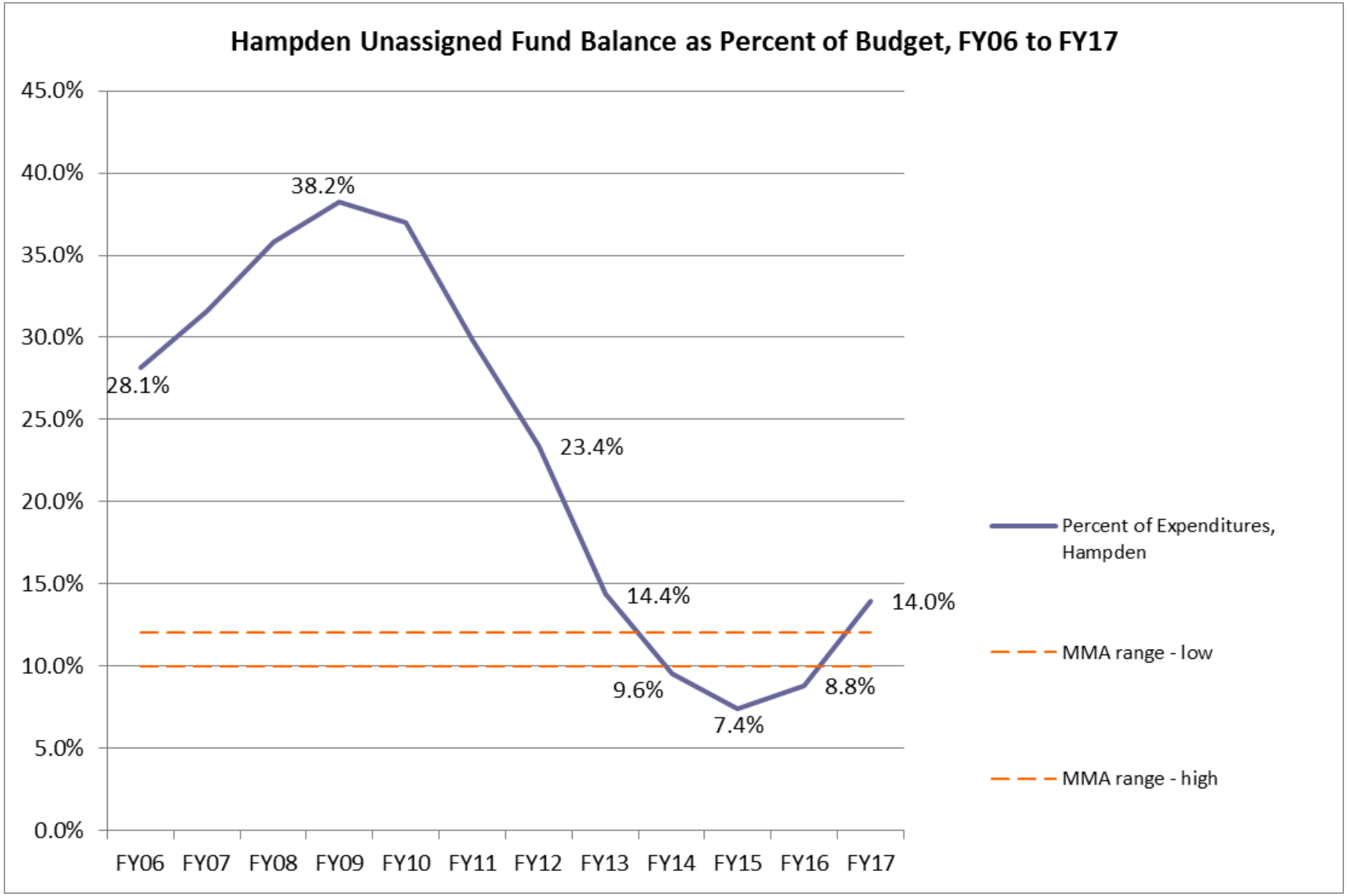
As I approach the end of my tenure in Hampden, my hope at this point is to see through the FY19 budget process in a responsible way, and hopefully hand off a more appropriately staffed organization to my successor.



Note: Unassigned Fund Balance includes year-end balances in Host Community Benefits account.

Source: Angus Jennings, Town Manager

Data sources: Town of Hampden Audits



Note: At year-end FY17, Unassigned Fund Balance reached and exceeded 10-12% percentage recommended by MMA.

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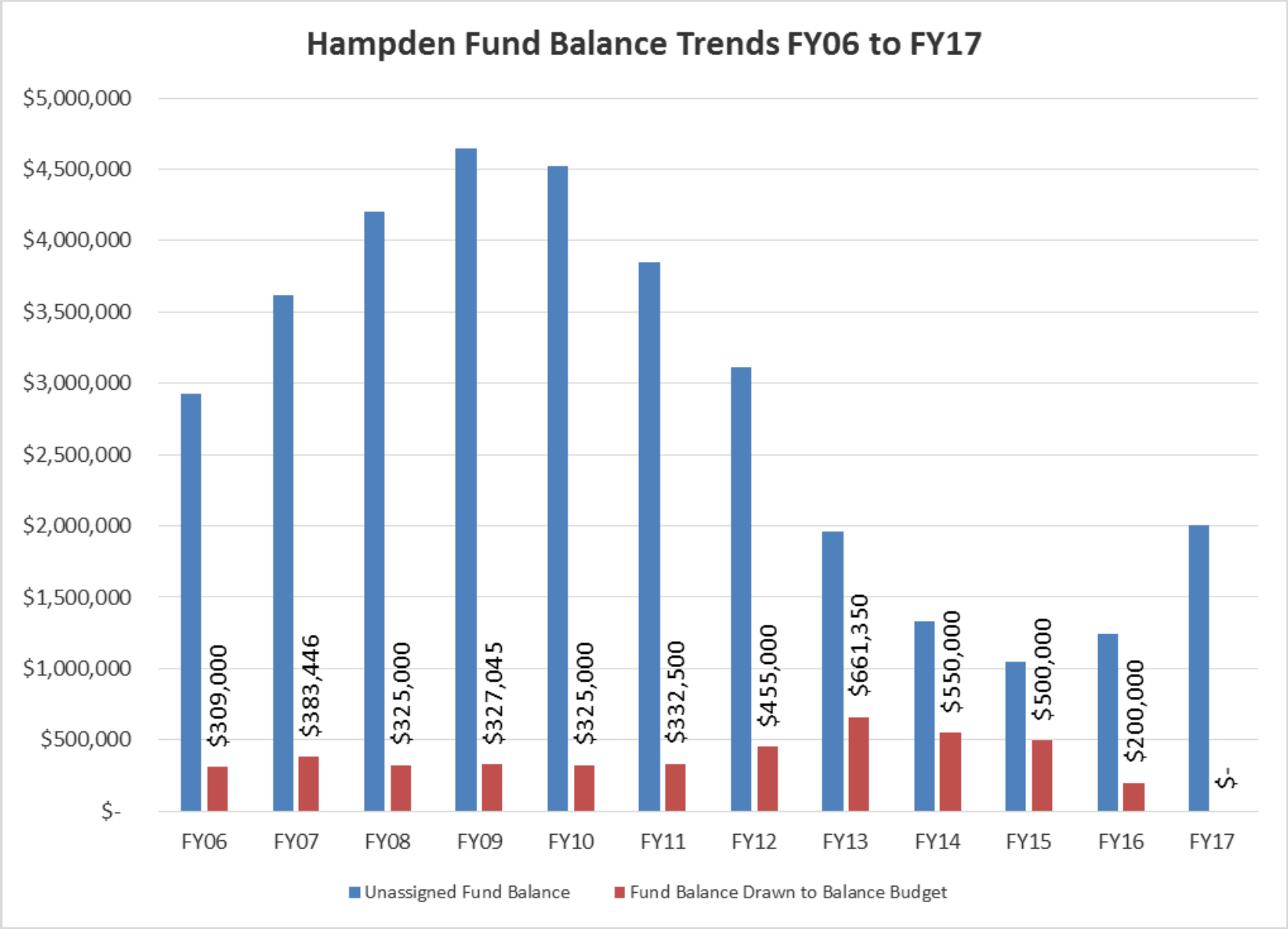

Note: FY17 budget did not draw from Unassigned Fund Balance. Current-year FY18 budget did draw $300,000 from Unassigned Fund Balance.

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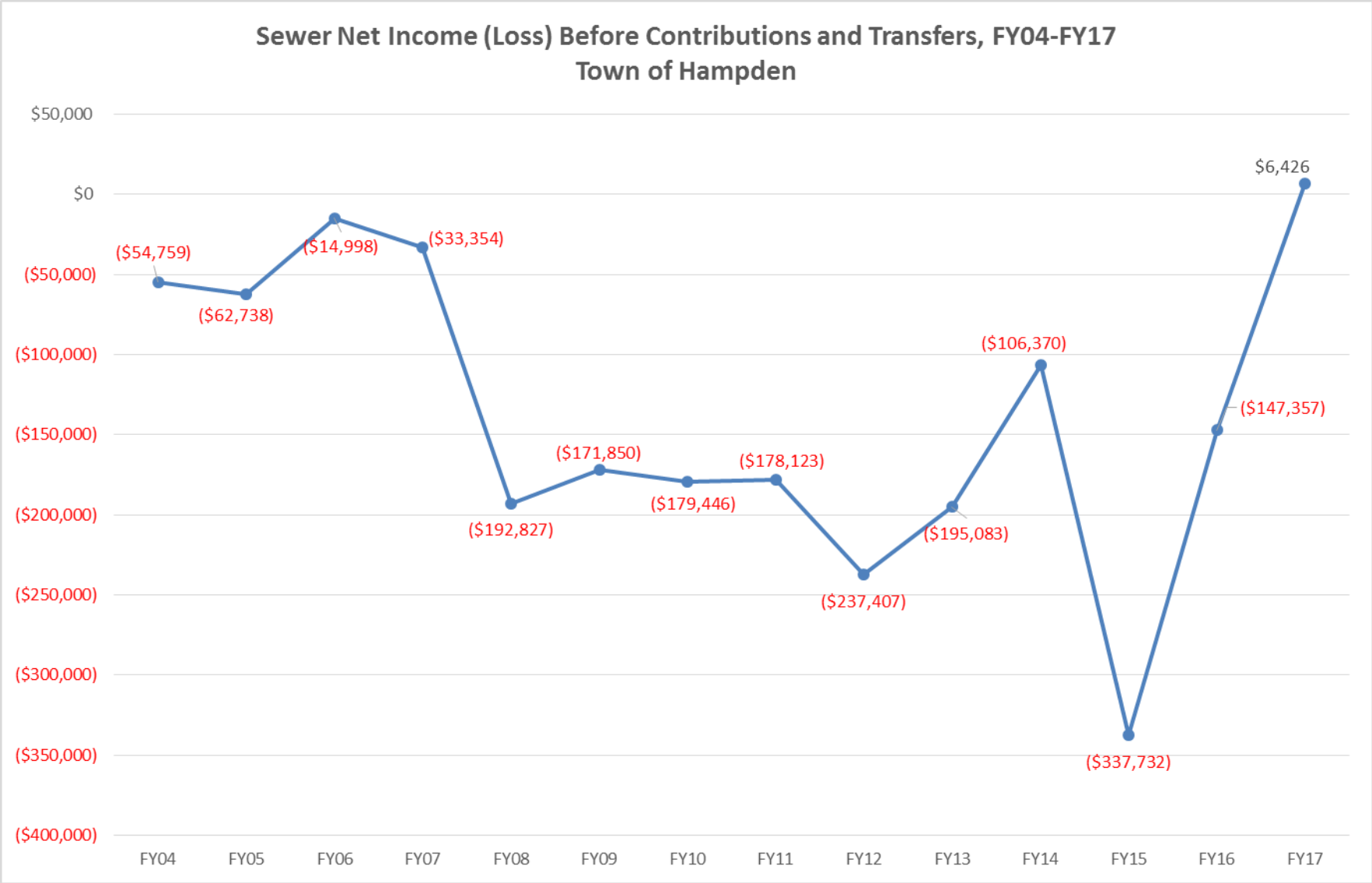

Note: FY17 was the first year since at least FY04 that the Sewer Fund posted a Net Operating Income.

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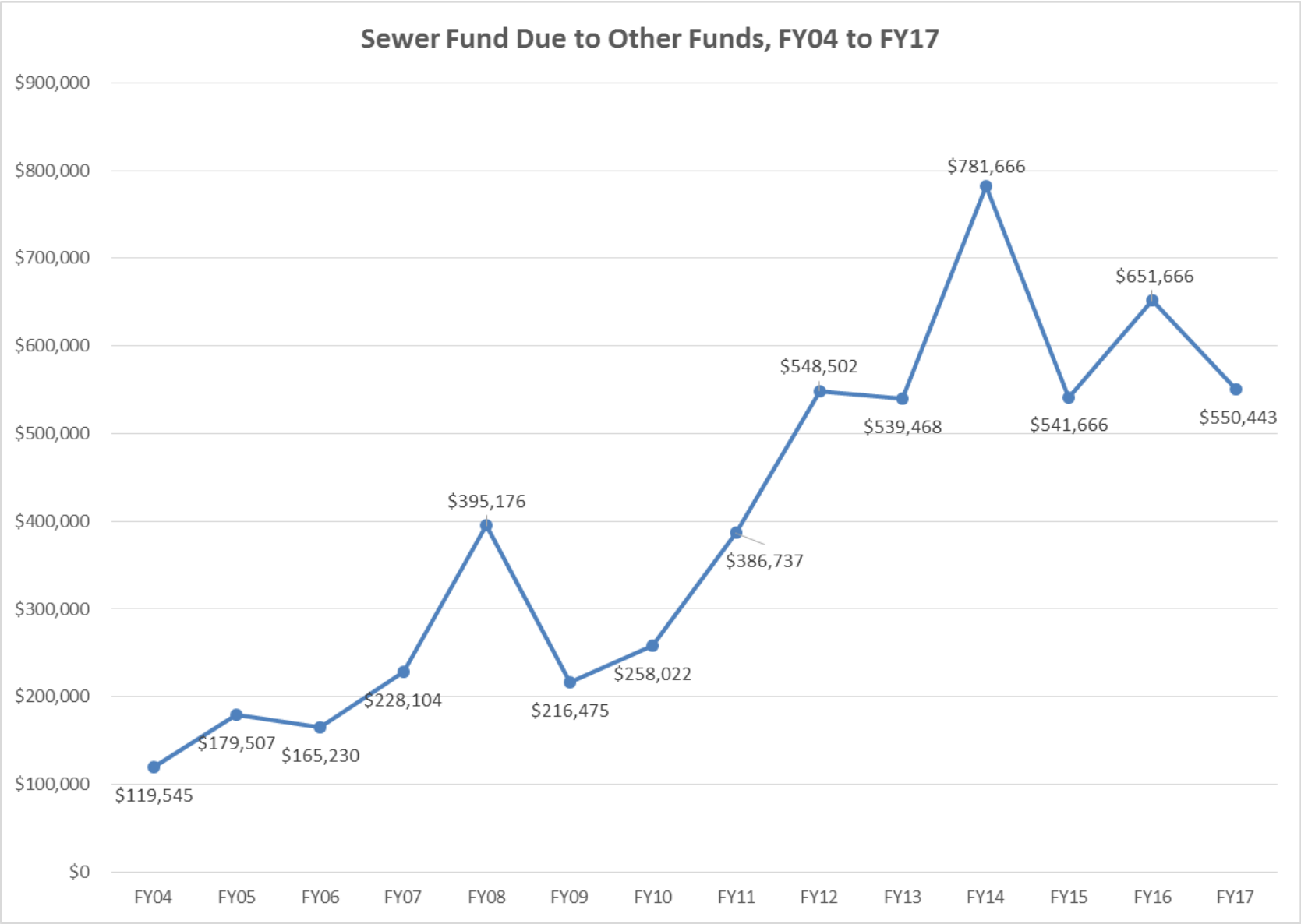

Note: On Feb. 28, 2018, a payment of $100,000 from Sewer Fund to General Fund reduced the interfund deficit to approximately $451,570.

Source: Angus Jennings, Town Manager

Data sources: Town of Hampden Audits

Town of Hampden
106 Western Avenue
Hampden, Maine 04444

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Fax: **(207) 862-5067**
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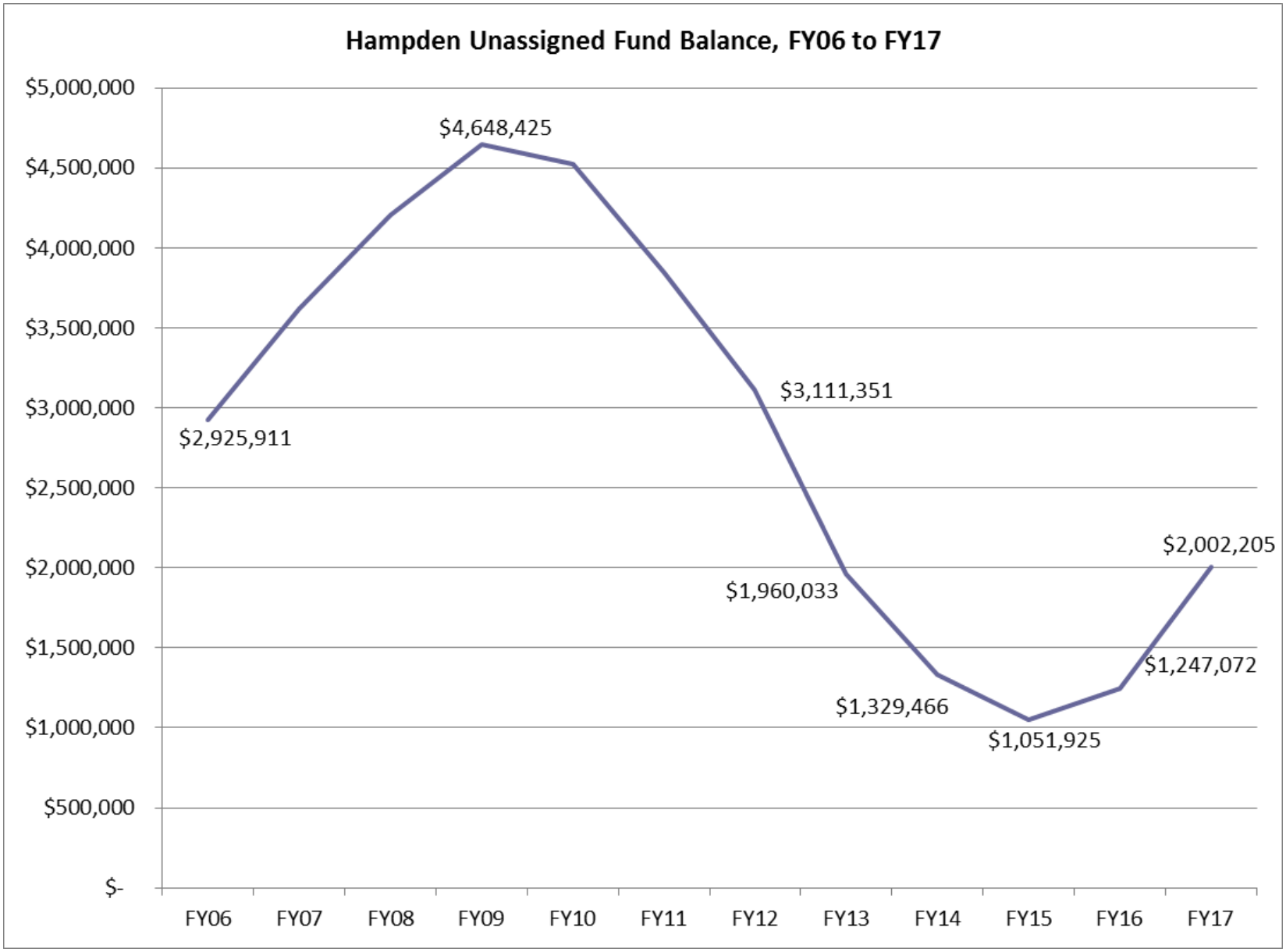

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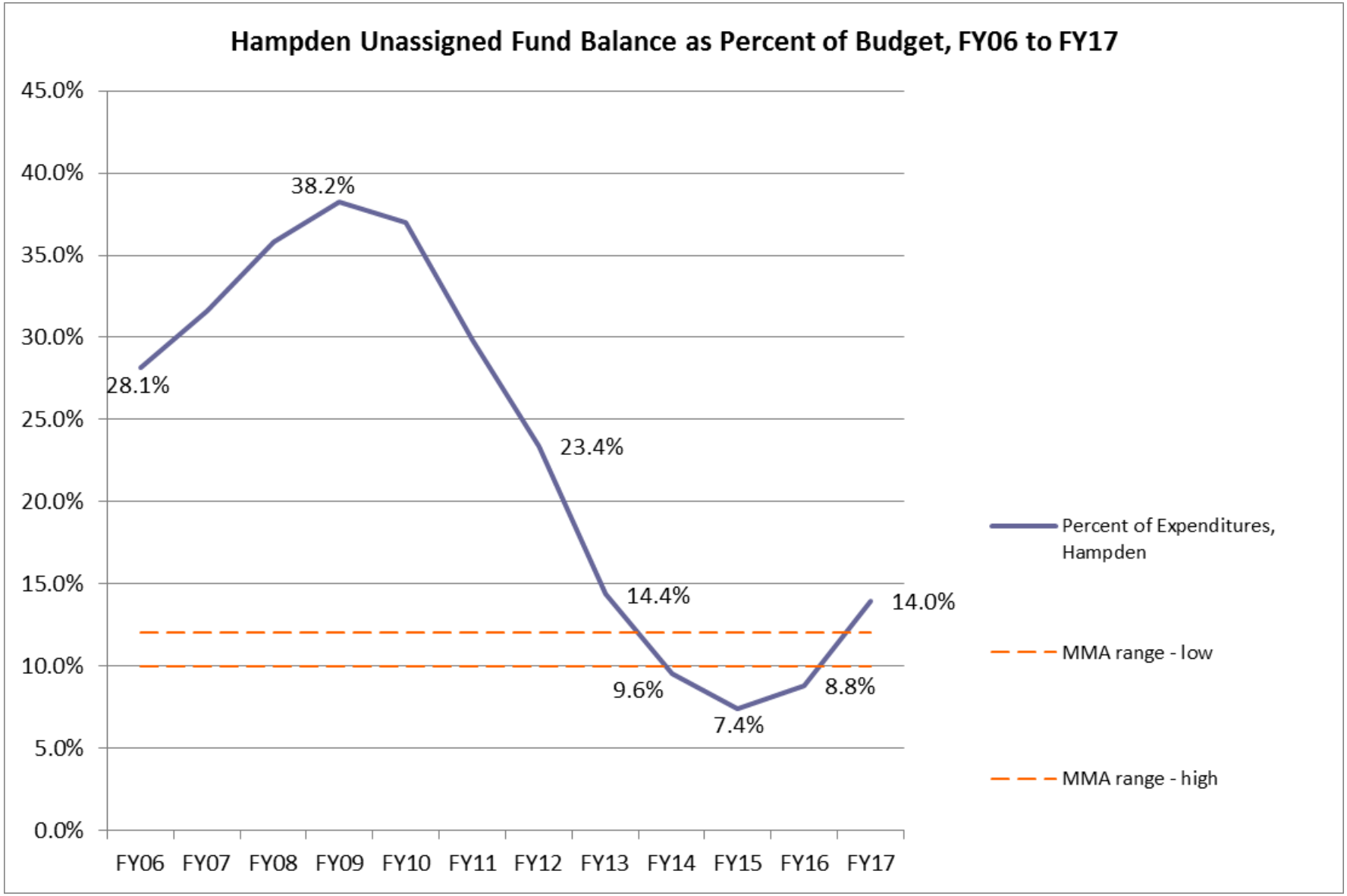
Data sources: Town of Hampden Audits



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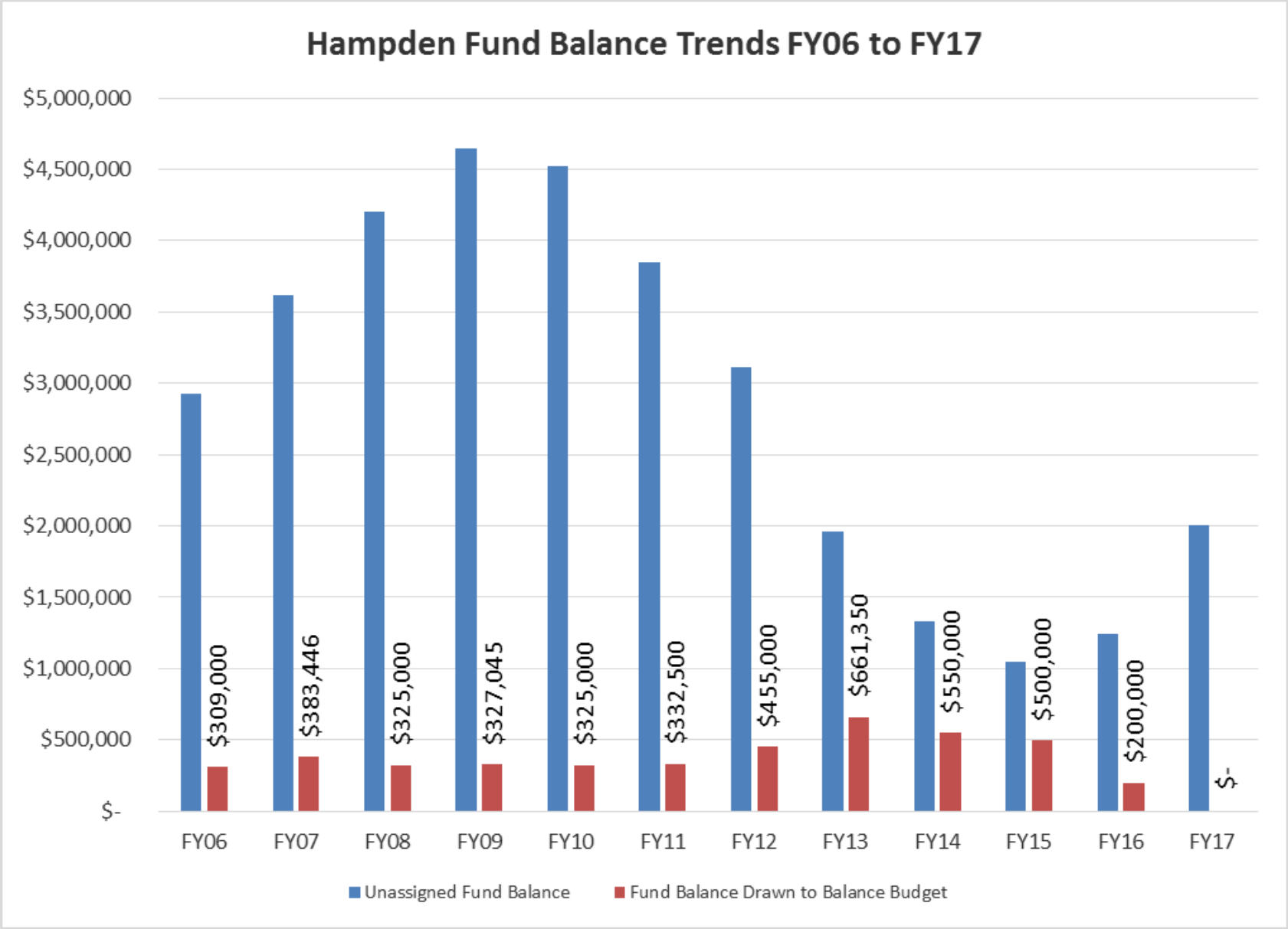

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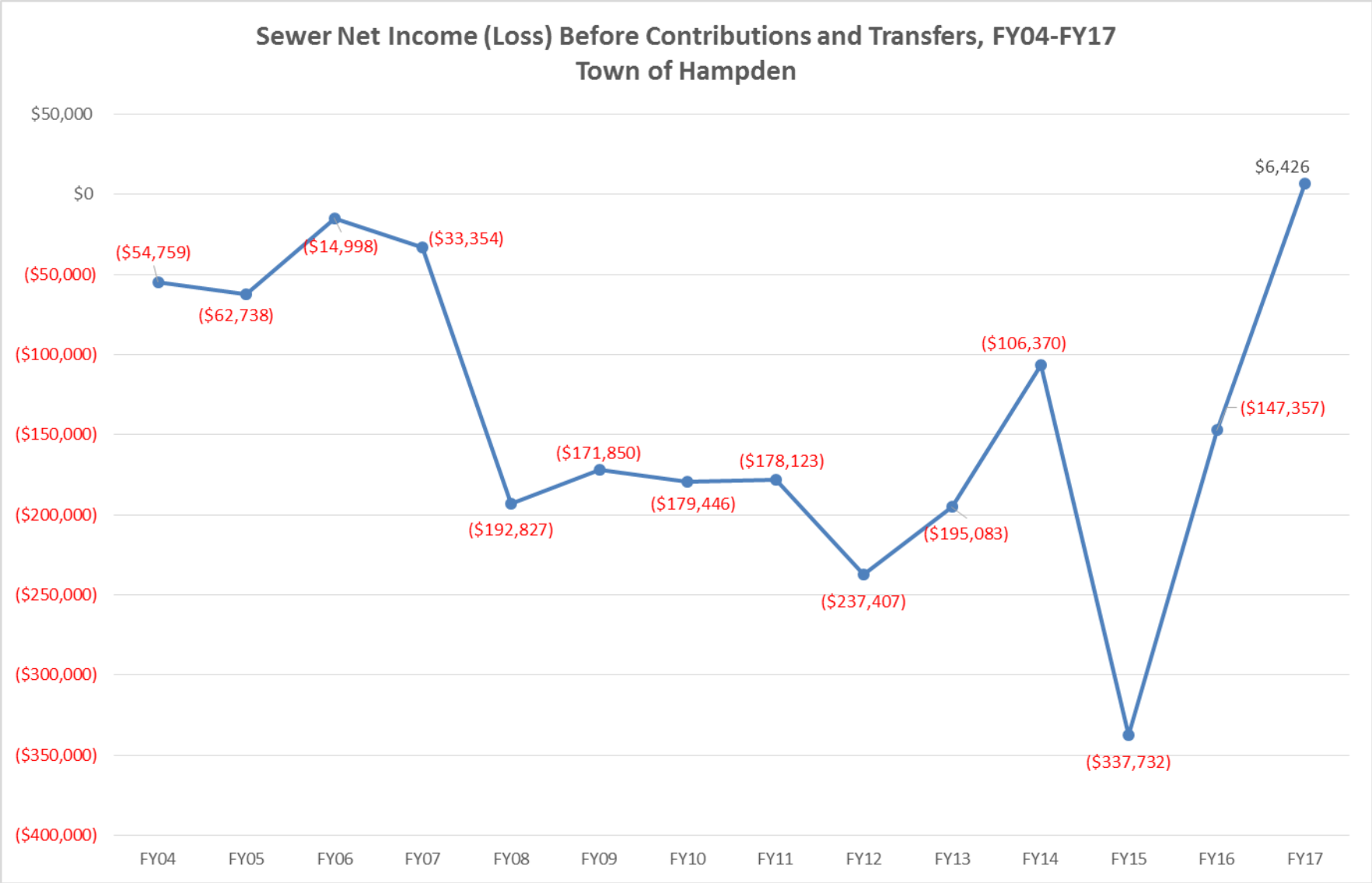

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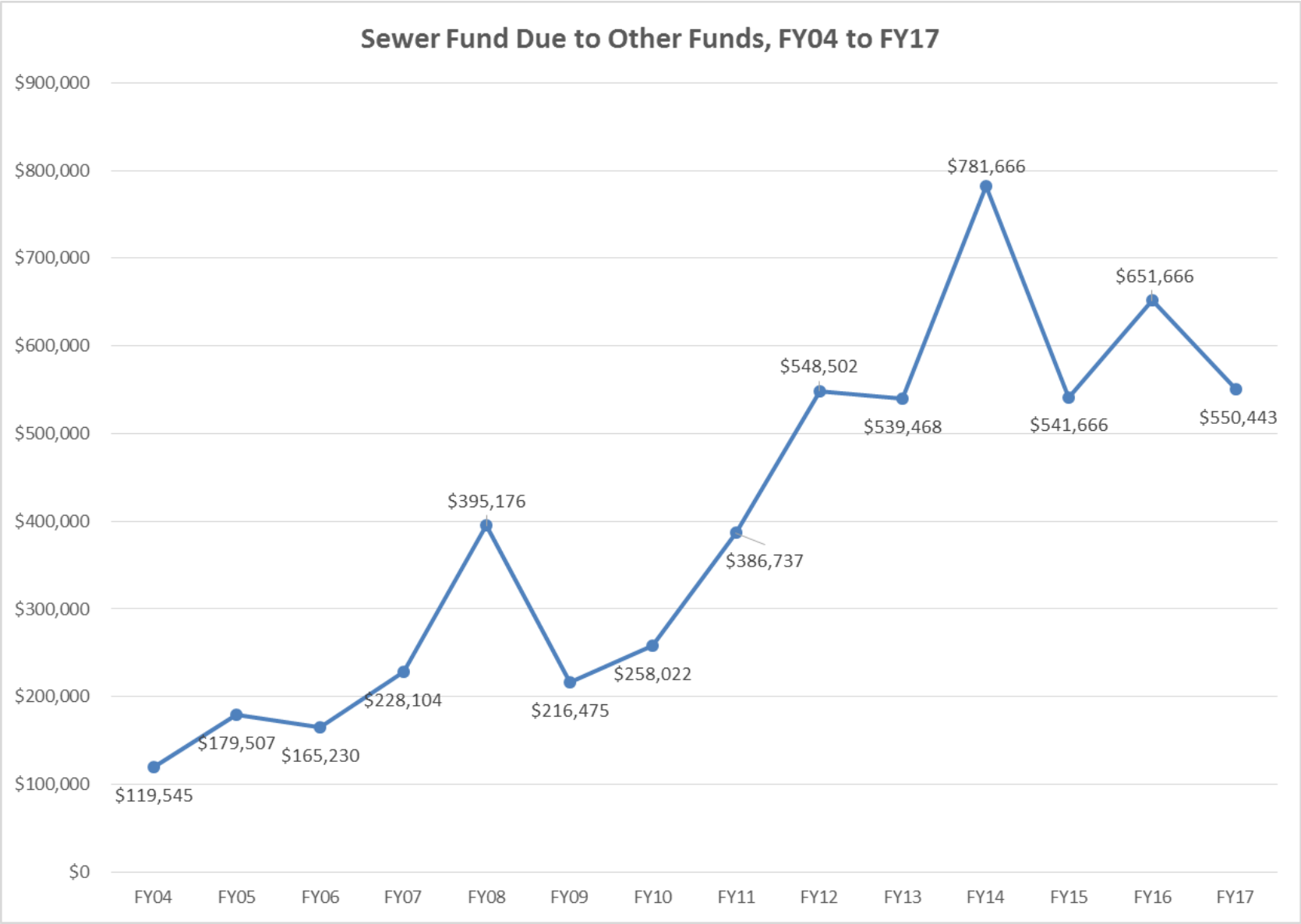

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TOWN OF HAMPDEN, MAINE

FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORTS

FOR THE FISCAL YEAR
ENDED JUNE 30, 2017

TOWN OF HAMPDEN
FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULES
FOR THE YEAR ENDED JUNE 30, 2017

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CERTIFIED PUBLIC ACCOUNTANT

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INDEPENDENT AUDITOR'S REPORT

March 27, 2018

Members of the Town Council
Town of Hampden
Hampden, ME

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 Hampden, Maine (the Town) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including 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 audit opinions.

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ELLSWORTH, MAINE 04605

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 Hampden, Maine as of June 30, 2017, and the respective changes in financial position and where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and pension disclosure schedules on pages 3-8, 41-43, 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.

Supplementary Information

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

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

Respectfully Submitted,

James W. Wadman, CPA

James W. Wadman, CPA

TOWN OF HAMPDEN, MAINE
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017

Management of the Town of Hampden, Maine provides this *Management's Discussion and Analysis* of the Town's financial performance for readers of the Town's financial statements. This narrative overview and analysis of the financial activities of the Town is for the fiscal year ended June 30, 2017. We encourage readers to consider this information in conjunction with the financial statements and accompanying notes that follow.

The financial statements herein include all of the activities of the Town of Hampden, Maine (the Town) using the integrated approach as prescribed by Government Accounting Standards Board (GASB) Statement No. 34.

FINANCIAL HIGHLIGHTS – PRIMARY GOVERNMENT

Government-wide Highlights:

Net Position – The assets of the Town exceeded its liabilities at fiscal year ending June 30, 2017 by $18,574,144 for governmental activities and $3,232,781 for business-type activities (presented as "net position"). Of this amount, $2,744,753 was reported as "unrestricted net position" for governmental activities and ($728,427) for business-type activities. Unrestricted net position represents the amount available to be used to meet the Town's ongoing obligations to citizens and creditors.

Changes in Net Position – The Town's total net position increased by $458,907 (a 2% increase) for the fiscal year ended June 30, 2017. Net position of governmental activities increased by $452,481 (a 2% increase), while net position of business-type activities showed an increase of $6,426 (a .2% increase).

Fund Highlights:

Governmental Funds – Fund Balances – As of the close of the fiscal year ended June 30, 2017; the Town's governmental funds reported a combined ending fund balance of $4,223,649 with $1,498,682 being general unassigned fund balance and $503,523 being host community benefit unassigned fund balance. The general unassigned fund balance represents approximately 10% of the total general fund expenditures for the year.

Long-term Debt:

The Town's total long-term debt obligations decreased by $265,550 (11%) during the current fiscal year. Existing debt obligations were retired according to schedule. Additional information on the Town's long-term debt can be found in Note 3G of the notes to the financial statements on pages 32-33 of this report.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains additional required supplementary information (budgetary comparison) and other supplementary information. These components are described below:

Government-wide Financial Statements

The Government-wide financial statements present the financial picture of the Town from the economic resources measurement focus using the accrual basis of accounting. They present governmental activities and business-type activities separately. These statements include all assets of the Town (including infrastructure) as well as all liabilities (including long-term debt). Additionally, certain elimination entries have occurred as prescribed by the statement in regards to inter-fund activity, payables and receivables. The government-wide financial statements can be found on pages 9-10 of this report.

Fund Financial Statements

The fund financial statements include statements for each of the three categories of activities – governmental, proprietary and fiduciary. The governmental activities are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. The proprietary activities are prepared using the

economic resources measurement focus and the accrual basis of accounting. Fiduciary funds are used to account for resources held for the benefit of parties outside the Town government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the Town's own programs. Reconciliation of the fund financial statements to the Government-wide financial statements is provided to explain the differences created by the integrated approach. The basic governmental fund financial statements can be found on pages 11-14 of this report. The basic proprietary fund financial statements can be found on pages 15-17 of this report. The fiduciary fund financial statements can be found on pages 18-19 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and the fund financial statements. The notes to the financial statements can be found on pages 20-40 of this report.

Required Supplementary Information

This section includes a budgetary comparison schedule, which includes a reconciliation between the statutory fund balance for budgetary purposes and the fund balance for the general fund as presented in the governmental fund financial statements (if necessary). Required supplementary information can be found on page 41-43 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position

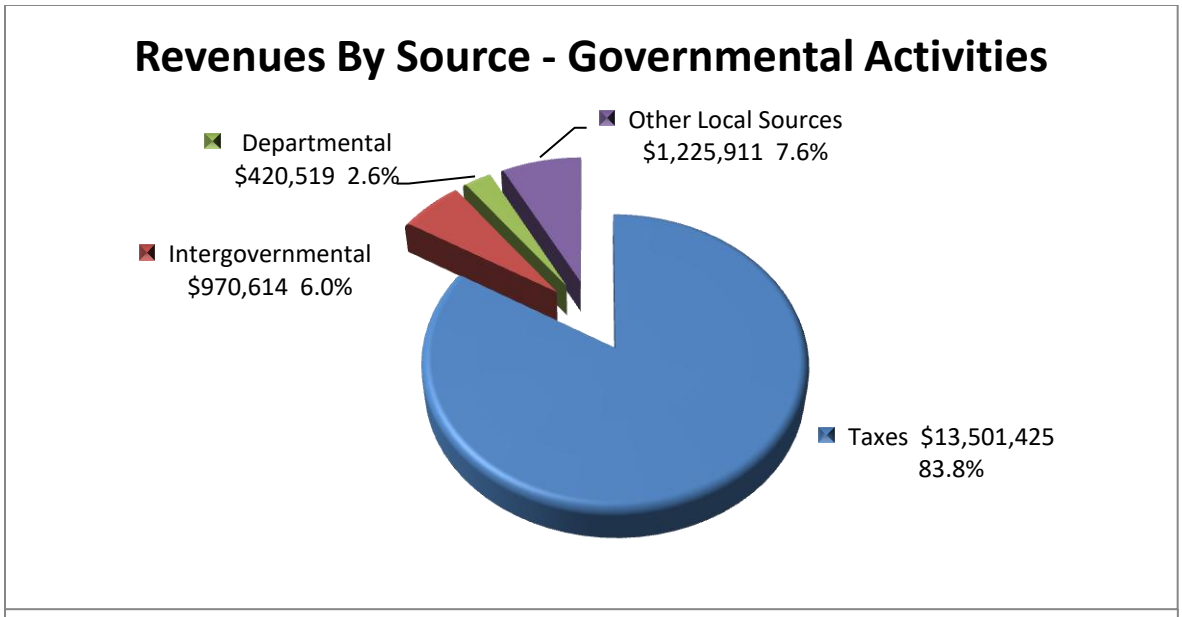
87% of the Town's net position reflects its investment in capital assets such as land, buildings, equipment and infrastructure (roads, bridges and other immovable assets); less any related debt used to acquire those assets that are still outstanding. The Town uses these assets to provide services to citizens; consequently, these assets are not available for future spending. Although, the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

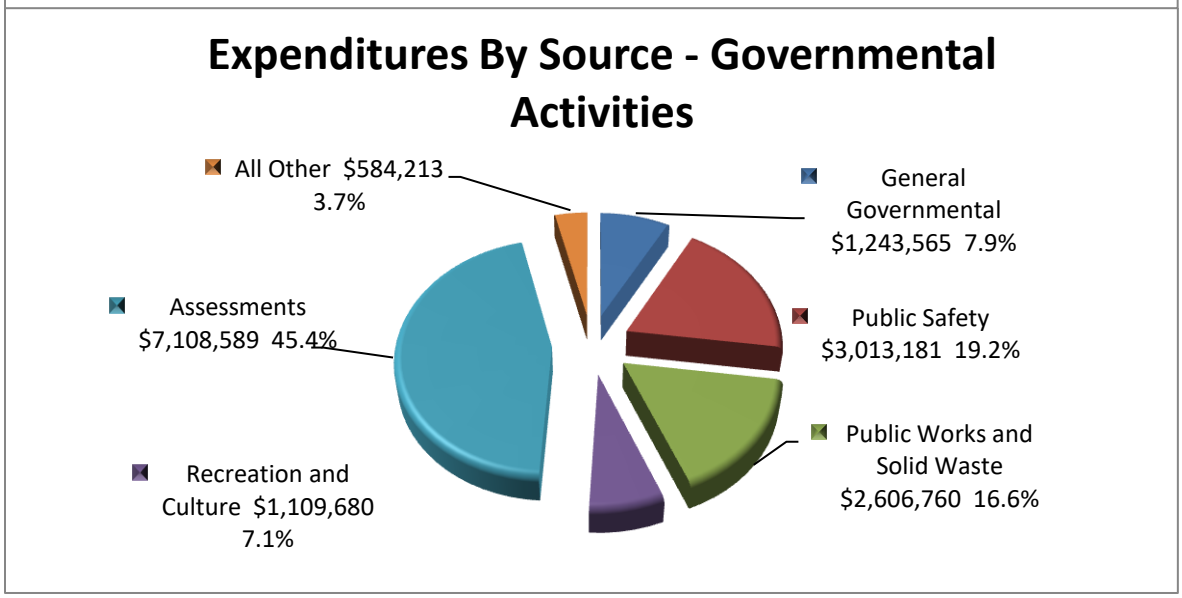
	Governmental Activities	**Business-like Activities**	**Total 2017**	**Total 2016**
Current Assets	4,868,779	(384,561)	4,484,218	3,091,702
Capital Assets	17,590,735	7,048,455	24,639,190	25,755,511
Total Assets	22,459,514	6,663,894	29,123,408	28,847,213
Total Deferred Outflows of Resources	543,387		543,387	483,103
Total Assets and Deferred Outflows of Resources	**23,002,901**	**6,663,894**	**29,666,795**	**29,330,316**
Current Liabilities	1,003,189	435,015	1,438,204	1,683,110
Other Liabilities	2,934,685	2,996,098	5,930,783	5,758,940
Total Liabilities	3,937,874	3,431,113	7,368,987	7,442,050
Total Deferred Inflows of Resources	490,883		490,883	540,248
Net Position:				
Net Investment in Capital Assets	15,318,821	3,661,251	18,980,072	20,201,111
Restricted	510,570	299,957	810,527	817,853
Unrestricted	2,744,753	(728,427)	2,016,326	329,054
Total Net Position	18,574,144	3,232,781	21,806,925	21,348,018
Total Liabilities and Net Position	**23,002,901**	**6,663,894**	**29,666,795**	**29,330,316**

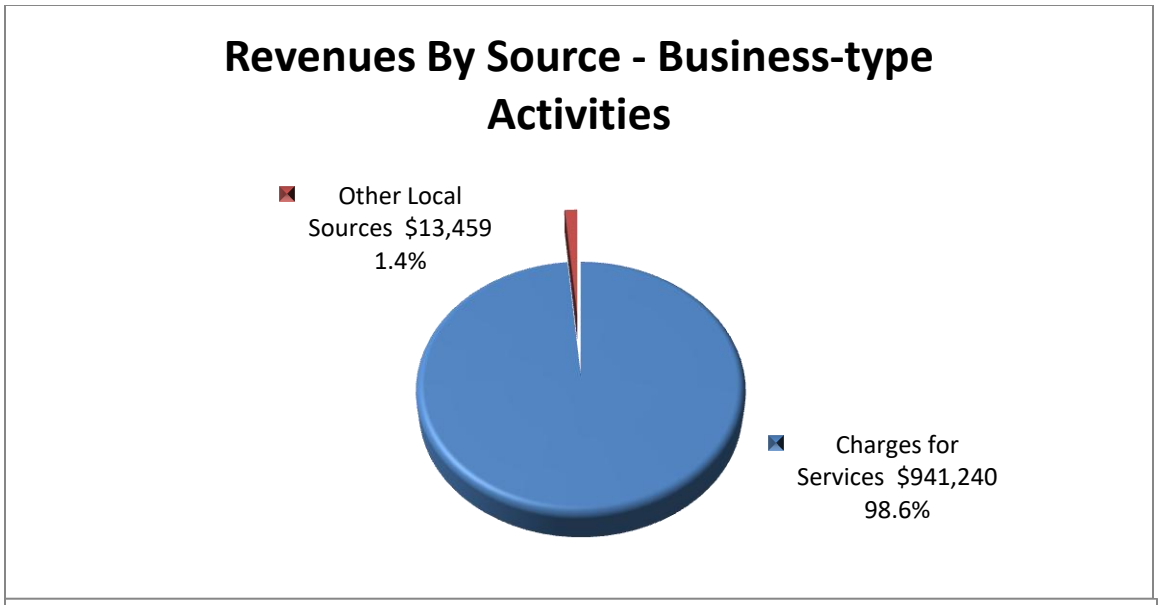
Changes in Net Position

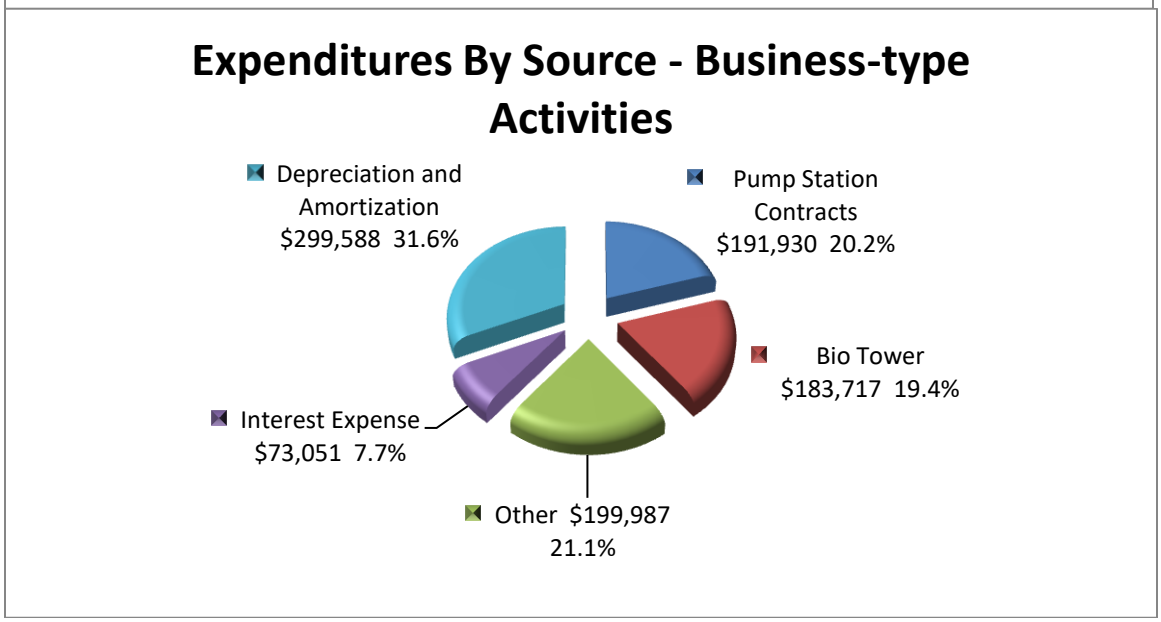
Approximately 79 percent of the Town's total revenue came from property and excise taxes, approximately 6 percent came from State subsidies and grants, and approximately 15 percent came from services, investment earnings and other sources. Depreciation expense on the Town's governmental and business-like activity assets represents $1,667,722 of the total expenses for the fiscal year.

	Governmental Activities	Business-like Activities	Total 2017	Total 2016
Revenues:				
Taxes	13,501,425		13,501,425	12,815,444
Intergovernmental Revenues	970,614		970,614	887,896
Departmental Revenues	420,519	941,240	1,361,759	955,699
Investment Income	22,910	12,201	35,111	22,586
Fair Value Increase (Decrease)	31,295	(160)	31,135	(7,514)
Other Local Sources	1,171,706	1,418	1,173,124	869,984
Total	16,118,469	954,699	17,073,168	15,544,095
Expenses:				
General Government	1,243,565		1,243,565	1,218,582
Public Safety	3,013,181		3,013,181	2,722,449
Public Works	2,240,298		2,240,298	2,242,227
Solid Waste	366,462		366,462	414,755
Recreation and Culture	1,109,680		1,109,680	1,104,509
The Bus	83,496		83,496	90,991
Buildings and Grounds	182,797		182,797	83,276
Outside Agencies & Gen. Asst.	4,457		4,457	488
Debt Service & Capital Outlay	155,035		155,035	114,895
Assessments and TIF	7,267,017		7,267,017	7,110,850
Sewer Enterprise		948,273	948,273	700,345
Total	15,665,988	948,273	16,614,261	15,803,367
Changes in Net Position	452,481	6,426	458,907	(259,272)


Revenues By Source - Governmental Activities
Other Local Sources $1,225,911 7.6%
Departmental $420,519 2.6%
Intergovernmental $970,614 6.0%
Taxes $13,501,425 83.8%


Expenditures By Source - Governmental Activities
All Other $584,213 3.7%
General Governmental $1,243,565 7.9%
Assessments $7,108,589 45.4%
Public Safety $3,013,181 19.2%
Public Works and Solid Waste $2,606,760 16.6%
Recreation and Culture $1,109,680 7.1%





FINANCIAL ANALYSIS OF THE TOWN'S INDIVIDUAL FUNDS

Governmental Funds

The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the fiscal year, the Town's governmental funds reported ending fund balances of $4,223,649, an increase of $1,206,469 in comparison with the prior year. Approximately 47 percent of this total amount constitutes unassigned fund balance. The remainder is reserved to indicate that it is not available for spending because it has been committed to liquidate contracts and commitments of the prior fiscal year or for a variety of other purposes.

Proprietary Funds
The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

GENERAL FUND BUDGETARY HIGHLIGHTS

Variances between actual General Fund revenues and expenditures and the final amended budget included the following:

- $234,933 positive variance in auto excise. The variance is due to conservative budgeting.
- $20,533 positive variance in planning/zoning fees. The variance is due to partial reconciliation of developer escrow account balance.
- $16,263 negative variance in PERC revenues. The variance is due to projected revenue of $65,000 was reduced from FY 15 budgeted revenue ($85,000) based on FY 16 revenue of $61,130 and FY 15 revenue of $71,842.
- $29.622 negative variance in fire department. Wages, retirement expenses and health insurance were above budget. Wages and retirement overages were due to wage budgeting based on 40 hour work-week instead of actual 42 hour work week (manager error). Health insurance overage was due to budgeting lower cost increase than actual.
- $351,591 positive variance in public works department. Wages, FICA, worker's comp, health insurance, and fuel were under budget. Wage and related expenses were lower due to conservative budgeting and lower staffing part of year due to worker (non-workplace) injury and reduced hours. We contracted for a lower fuel price in FY 17'. Paving expenses shown to be under budget because repaving contract awarded late in FY 17' so balance was carried forward and paid in FY 18'.
- $45,051 negative variance in solid waste. Wages, health insurance, and solid waste disposal costs were over budget. Wages were over budget because overtime for plow drivers was paid form this account instead of from highway/DPW wages; change from prior years due to management personnel changes (DPW Director, Town Manager). Health insurance was over due to budgeting lower cost increase than actual.
- $105,905 positive variance in overlay. The variance is due to conservative budgeting.

CAPITAL ASSET ADMINISTRATION

Capital Assets
The Town's investment in capital assets for its governmental and business-like activities amounts to $56,505,415, net of accumulated depreciation of $31,866,225 leaving a net book value of $24,639,190. Current year additions include $9,986 public works lighting, $6,180 John Deere aerator, $27,053 for a police vehicle, $17,196 for extrication equipment, $170,500 for a public works truck, $12,858 for a flail mower, $142,308 for a public works front loader, $143,176 for 2016 paving, $28,024 storm drain slip lining, $26,495 for storm drain, and $13,132 sewer pump and cam.

Additional information on the Town's capital assets can be found in Note 3D of the notes to the financial statements on pages 29-30 of this report.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town's finances for all citizens, taxpayers, investors and creditors. This financial report seeks to demonstrate the Town's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Town of Hampden, 106 Western Ave., Hampden, ME 04444.

TOWN OF HAMPDEN ***Exhibit A***

STATEMENT OF NET POSITION

JUNE 30, 2017

Assets	***Governmental Activities***	***Business-Type Activities***	***Total***
Cash and Equivalents	2,858,671	106,209	2,964,880
Investments	753,613	8,092	761,705
Receivables			
Taxes	321,248		321,248
Liens	81,227		81,227
Sewer User Fees/Liens		51,581	51,581
Solid Waste	14,480		14,480
Ambulance	181,403		181,403
Other	107,694		107,694
Internal Balances	550,443	(550,443)	-
Capital Assets:			
Land	1,656,858		1,656,858
Other Capital Assets, Net of Depreciation	15,933,877	7,048,455	22,982,332
Total Assets	22,459,514	6,663,894	29,123,408
Deferred Outflows of Resources:			
Related to Pensions	543,387		543,387
Total Deferred Outflow of Resources	543,387	-	543,387
Total Assets and Deferred Outflows of Resources	**23,002,901**	**6,663,894**	**29,666,795**
Liabilities			
Accounts Payable and TIF Payable	169,216	43,909	213,125
Accrued Salaries Payable	66,739		66,739
Accrued Interest Payable		14,541	14,541
Project Escrows	89,365		89,365
Due to Other Governments	26,837		26,837
Compensated Absences Payable	334,917		334,917
Long-term Liabilities:			
Net Pension Liability	978,886		978,886
Due Within One Year	316,115	376,565	692,680
Due in More Than One Year	1,955,799	2,996,098	4,951,897
Total Liabilities	3,937,874	3,431,113	7,368,987
Deferred Inflows of Resources:			
Property Taxes Collected in Advance	12,531		12,531
Related to Pensions	478,352		478,352
Total Deferred Inflows of Resources	490,883	-	490,883
Net Position			
Net Investment in Capital Assets	15,318,821	3,661,251	18,980,072
Restricted	510,570	299,957	810,527
Unrestricted	2,744,753	(728,427)	2,016,326
Total Net Position	18,574,144	3,232,781	21,806,925
Total Liabilities, Deferred Inflows of Resources, and Net Position	**23,002,901**	**6,663,894**	**29,666,795**

The notes to financial statements are an integral part of this statement.

TOWN OF HAMPDEN
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

Exhibit B

		Program Revenues		Net (Expense) Revenue and Changes in Net Position		
Functions/Programs		***Fees, Fines, and Charges for***	***Operating***	***Governmental***	***Business-like***	
Primary Government	***Expenses***	***Services***	***Grants***	***Activities***	***Activities***	***Total***
Governmental Activities						
General Government	1,243,565	91,173		(1,152,392)		(1,152,392)
Public Safety	3,013,181	213,094	161,411	(2,638,676)		(2,638,676)
Public Works	2,240,298	7,432		(2,232,866)		(2,232,866)
Solid Waste	366,462	40,932		(325,530)		(325,530)
Recreation and Culture	1,109,680	615,986		(493,694)		(493,694)
The Bus	83,496			(83,496)		(83,496)
Buildings and Grounds	182,797			(182,797)		(182,797)
General Assistance	4,457		2,932	(1,525)		(1,525)
Debt Service & Capital Outlay	155,035			(155,035)		(155,035)
RSU #22 Assessment	6,308,862			(6,308,862)		(6,308,862)
Assessments and TIF	958,155			(958,155)		(958,155)
Total Governmental Activities	15,665,988	968,617	164,343	(14,533,028)		(14,533,028)
Business-type Activities						
Sewer Department	948,273	941,240			(7,033)	(7,033)
Total Business-type Activities	948,273	941,240	-		(7,033)	(7,033)
Total Primary Government	16,614,261	1,909,857	164,343	(14,533,028)	(7,033)	(14,540,061)
General Revenues:						
Taxes						
Property				11,475,015		11,475,015
Auto				2,014,933		2,014,933
Boat				11,477		11,477
Intergovernmental Revenues				806,271		806,271
Departmental Revenues				60,769		60,769
Investment Income				22,910	12,201	35,111
Fair Value Increases/(Decreases)				31,295	(160)	31,135
Other Local Sources				562,839	1,418	564,257
Total Revenues, Special Items and Transfers				14,985,509	13,459	14,998,968
Changes in Net Position				452,481	6,426	458,907
Net Position - Beginning				18,121,663	3,226,355	21,348,018
Net Position - Ending				18,574,144	3,232,781	21,806,925

The notes to financial statements are an integral part of this statement.

TOWN OF HAMPDEN *Exhibit C*
BALANCE SHEET - GOVERNMENTAL FUNDS *Page 1 of 2*
JUNE 30, 2017

Assets	*General Fund*	*Other Governmental Funds*	*Total*
Cash and Equivalents	2,450,387	408,284	2,858,671
Investments	198,880	554,733	753,613
Receivables			
Taxes	321,248		321,248
Liens	81,227		81,227
Solid Waste	14,480		14,480
Ambulance	181,403		181,403
Other	107,694		107,694
Due from Other Funds	551,363	200,445	751,808
Total Assets	**3,906,682**	**1,163,462**	**5,070,144**
Liabilities			
Accounts Payable	89,689	1,694	91,383
TIF Payable	77,833		77,833
Accrued Salaries Payable	66,739		66,739
Project Escrows	89,365		89,365
Due to Other Funds	193,749	7,616	201,365
Due to Other Governments	26,837		26,837
Total Liabilities	544,212	9,310	553,522
Deferred Inflows of Resources:			
Property Taxes Collected in Advance	12,531		12,531
Advanced Recreation Summer Fees	41,952		41,952
Unavailable Property Tax Revenue	238,490		238,490
Total Deferred Inflows of Resources	292,973	-	292,973
Fund Balances			
Nonspendable		314,360	314,360
Restricted	155,344	40,866	196,210
Committed	733,008	626,402	1,359,410
Assigned	178,940	173,492	352,432
Unassigned	2,002,205	(968)	2,001,237
Total Fund Balances	3,069,497	1,154,152	4,223,649
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**3,906,682**	**1,163,462**	**5,070,144**

The notes to financial statements are an integral part of this statement.

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total Fund Balance	4,223,649
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds, net of accumulated depreciation of $25,489,325	17,590,735
Deferred outflows of resources related to pension plans	543,387
Deferred inflows of resources related to pension plans	(478,352)
Certain long-term assets are not available to pay for current fund liabilities and, therefore, are deferred in the funds:	
Net Pension Liability	(978,886)
Advanced Recreation Summer Fees	41,952
Unavailable Property Tax Revenue	238,490
Certain long-term liabilities are not due and payable from current financial resources and, therefore, are not reported in the funds:	
Bonds Payable	(2,059,000)
Leases Payable	(212,914)
Accrued Compensated Absences	(334,917)
Net Position of Governmental Activities	18,574,144

The notes to financial statements are an integral part of this statement.

TOWN OF HAMPDEN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	General Fund	*Other Governmental Funds*	*Total Governmental Funds*
Revenues			
Taxes	13,468,411		13,468,411
Intergovernmental Revenues	952,789	17,825	970,614
Departmental Revenues	420,519		420,519
Investment Income	13,016	9,894	22,910
Fair Value Increases (Decreases)	28,161	3,134	31,295
Other Local Sources	1,155,725	33,839	1,189,564
Total Revenues	16,038,621	64,692	16,103,313
Expenditures			
Current:			
General Government	1,202,091	2,009	1,204,100
Public Safety	2,804,570	21,657	2,826,227
Public Works	1,242,047		1,242,047
Solid Waste	405,079		405,079
Recreation and Culture	1,016,277	42,437	1,058,714
The Bus	83,496		83,496
Buildings and Grounds	182,546		182,546
General Assistance	4,457		4,457
TIF	158,428		158,428
Assessments	7,108,589		7,108,589
Debt Service	339,973		339,973
Capital Outlay		283,188	283,188
Total Expenditures	14,547,553	349,291	14,896,844
Excess of Revenues Over (Under) Expenditures	1,491,068	(284,599)	1,206,469
Other Financing Sources (Uses)			
Transfers from Other Funds	5,000	437,964	442,964
Transfers to Other Funds	(433,964)	(9,000)	(442,964)
Total Other Financing Sources (Uses)	(428,964)	428,964	-
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	1,062,104	144,365	1,206,469
Fund Balance - July 1	2,007,393	1,009,787	3,017,180
Fund Balance - June 30	**3,069,497**	**1,154,152**	**4,223,649**

(Continued)

The notes to financial statements are an integral part of this statement.

TOWN OF HAMPDEN
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, 2017

Net change in fund balances - total governmental funds	1,206,469
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:	
Capital asset purchases capitalized	583,777
Capital asset disposals	(45,508)
Depreciation expense	(1,368,134)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:	
Unavailable Property Taxes	33,014
Advanced Recreation Summer Fees	(17,858)
Bond proceeds proved current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position:	
Lease principal payments	115,535
New Lease	(267,320)
General obligation bond principal payments	265,550
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:	
Deferred Outflows of Pension Expense	60,284
Deferred Inflows of Pension Expense	47,342
Net Pension Liability	(143,985)
Accrued compensated absences	(16,685)
Change in net position of governmental activities	452,481

The notes to financial statements are an integral part of this statement.

TOWN OF HAMPDEN ***Exhibit E***

STATEMENT OF NET POSITION - PROPRIETARY FUND

JUNE 30, 2017

	Sewer Enterprise
Assets	
Current Assets:	
Cash and Equivalents	106,209
Investments	8,092
User Fees/Liens Receivable	51,581
Capital Assets:	
Other Capital Assets, Net of Depreciation	7,048,455
Total Assets	**7,214,337**
Liabilities	
Current Liabilities:	
Accounts Payable	43,909
Accrued Interest Payable	14,541
Retainage Payable	
Due to Other Funds	550,443
Long-term Liabilities:	
Due Within One Year	376,565
Due in More Than One Year	2,996,098
Total Liabilities	3,981,556
Net Position	
Net Investment in Capital Assets	3,661,251
Restricted	299,957
Unrestricted	(728,427)
Total Net Position	3,232,781
Total Liabilities and Net Position	**7,214,337**

The notes to financial statements are an integral part of this statement.

TOWN OF HAMPDEN ***Exhibit F***

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN PROPRIETARY NET POSITION

PROPRIETARY FUND

FOR THE YEAR ENDED JUNE 30, 2017

	Budget	***Sewer Enterprise***	***Variance Favorable (Unfavorable)***
Operating Revenues:			
Charges for Services	943,845	941,240	(2,605)
Total Operating Revenues:	943,845	941,240	(2,605)
Operating Expenses:			
Repairs	52,000	44,209	7,791
Utilities/Fuel	43,000	35,927	7,073
Pump Station Contracts	43,878	54,451	(10,573)
Treatment Service Charges	262,494	137,479	125,015
Special Projects	15,500	13,166	2,334
O&M Contingency		3,391	(3,391)
Liens/Transfers	5,600	7,948	(2,348)
Abatements		4,377	(4,377)
Wages	60,000	60,000	-
Supplies	18,400	26,043	(7,643)
Legal Fees		4,926	(4,926)
Bio Tower - City of Bangor		183,717	(183,717)
Depreciation and Amortization		299,588	(299,588)
Total Operating Expenses	500,872	875,222	(374,350)
Net Operating Income (Loss)	442,973	66,018	(376,955)
Non-operating Revenues (Expenses)			
Interest Revenue	12,015	12,201	186
Change in Fair Market Value		(160)	(160)
Miscellaneous Income		1,418	1,418
Interest Expense	(381,465)	(73,051)	308,414
Total Non-operating Revenues (Expenses)	(369,450)	(59,592)	309,858
Net Income (Loss)	73,523	6,426	(67,097)
Total Net Position - Beginning		3,226,355	
Total Net Position - Ending		**3,232,781**	

The notes to financial statements are an integral part of this statement.

TOWN OF HAMPDEN ***Exhibit G***

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2017

	Sewer Enterprise
Cash Flows from Operating Activities;	
Received from Customers	941,240
Payments to Suppliers	(503,309)
Payments to Employees	(60,000)
Other Receipts (Payments)	(429,717)
Net Cash Provided by (Used in) Operating Activities	(51,786)
Cash Flows from Capital and Related Financing Activities	
Purchases of Capital Assets	(13,132)
New Capital Debt	521,746
Principal Paid on Capital Debt	(325,307)
Interest Paid on Capital Debt	(73,051)
Net Cash Used in Capital and Related Financing Activities	110,256
Cash Flows from Investing Activities	
Net Purchases / Sales of Investments	6,737
Interest and Dividends	12,201
Net Cash Provided by (Used in) Investing Activities	18,938
Net Increase (Decrease) in Cash and Cash Equivalents	77,408
Balances - beginning of the year	28,801
Balances - end of the year	106,209
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:	
Operating Income (Loss)	66,018
Adjustment to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:	
Depreciation	299,588
Changes in Assets and Liabilities;	
Receivables, net	(22,370)
Accounts Payable	(286,345)
Accrued Interest	(7,504)
Due to Other Funds	(101,173)
Net Cash Provided by (Used in) Operating Activities	(51,786)

The notes to financial statements is an integral part of this statement.

TOWN OF HAMPDEN ***Exhibit H***

STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS

JUNE 30, 2017

	Private Purpose Trust Fund
	Environmental Trust
Assets	
Cash and Equivalents	81,855
Investments	3,639,800
Total Assets	3,721,655
Net Position	
Restricted	3,721,655
Total Net Position	3,721,655

The notes to financial statements are an integral part of this statement.

TOWN OF HAMPDEN ***Exhibit I***

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FIDUCIARY NET POSITION

FOR THE YEAR ENDED JUNE 30, 2017

	Private Purpose Trust Fund
	Environmental Trust
Additions	
Fair Value Increases (Decreases)	(113,946)
Investment Income	78,005
Other Local Sources	
Total Additions	(35,941)
Deductions	
Reimbursements	414,648
Professional Fees	8,152
Total Reductions	422,800
Change in Net Position	(458,741)
Net Position - July 1	4,180,396
Net Position - June 30	**3,721,655**

The notes to financial statements are an integral part of this statement.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Hampden have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Council (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

A. Financial Reporting Entity

The Town of Hampden operates under an elected Town Council and Town Manager form of government. The Town's major operations include public works, public safety and general administrative services.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the activities of the Town. Fiduciary activities, whose resources are not available to finance the Town's programs, are excluded from the government-wide statements. The material effect of interfund activity has been removed from these statements. *Governmental activities,* which normally are supported by taxes and various 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 segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Functional expenses may also include an element of indirect cost, designed to recover administrative (overhead) costs. *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 instead 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 the major individual enterprise fund are reported as separate columns in the respective fund financial statements.

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

The government-wide financial statements are reported using the *total economic resources measurement focus* and the *accrual basis of accounting,* as are the proprietary fund and trust fund financial statements. Revenues are recognized when transactions occur 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 have been met. Agency funds, reporting only assets and liabilities, have no measurement focus but use the accrual basis of accounting.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when 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 Town 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, including interest on long-term debt, as well as expenditure related to compensated absences and claims and judgments are recorded only when payment is due.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Property taxes, sales taxes, interdepartmental charges and intergovernmental revenues are considered susceptible to accrual. Special assessments are recorded as revenues in the year the assessment become current. Annual installments not yet due are reflected as special assessment receivables and deferred revenues. Other revenue items are considered to be measurable and available only when cash is received by the Town.

The Town reports the following major governmental funds:

The General Fund is used to account for all or most of the Town's general activities, including the collection and disbursement of earmarked monies (special revenue funds) and the servicing of general long-term debt (debt service fund). The General Fund is used to account for all activities of the general government not accounted in some other fund.

The Town reports the following major enterprise fund:
The sewer fund accounts for the activities of the sewerage operations. The Town operates the sewer collection system and related administrative costs.

Additionally, the Town reports the following fund types:
Nonexpendable trust funds account for monies held in trust by the Town, the investment earnings from which may only be used for the operation of the program.

Fiduciary funds are used to account for assets held in a trustee or agency capacity for others and therefore cannot be used to support the Town's own programs.

The effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and charges between the business-type functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

In the Statement of Activities, amounts reported as program revenue include 1) charges to customers or applicants for goods, services, fines and forfeitures, 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 nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and of the government's internal service funds are charges to customers for goods and services. Operating expenses include the cost of sales and service, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Net Position or Fund Equity

1. Deposits and Investments

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. These investments are not specifically identified with any one fund. Interest is allocated to the individual funds on the basis of average cash balances.

The Town may invest in certificates of deposit, in time deposits, and in any securities in which the state investment officer is authorized to invest pursuant to the Maine Statute 5705 Title 30-A and as provided in the authorized investment guidelines of the Maine Statutes 5711 through 5719 in effect on the date the investment is made.

Investments in the Pension Trust Fund are carried at fair value. Investments in other funds are carried at fair value, except for short-term investments, which are reported at amortized cost, which approximates fair value. Securities traded on a national exchange are valued at the last reported sales price. Investments that do not have an established market are reported at estimated fair value, based on relevant market information of similar financial instruments. Income from investments held by the individual funds is recorded in the respective funds as it is earned.

2. Receivables and Payables

Transactions between funds that result in outstanding balances are reported as due to/from other funds.

Property taxes receivable not expected to be collected within 60 days from year-end are classified as unavailable property tax revenue. At June 30, $238,490 has been so classified and reported on the general fund balance sheet.

Property taxes were levied on August 20 on property values assessed on April 1. Taxes were due in two installments due on October 5 and April 5, with interest at 7% beginning October 6 and April 6. Tax liens are placed on real property within 12 months following the tax commitment date if taxes remain delinquent. Liens were placed on the 2015 fiscal year levy on August 24, 2016. The Town has the authority to foreclose on property eighteen months after the filing of the liens if the lien amount and associated costs remain unpaid.

Certain grants received from other governments require that eligible expenditures be made in order to earn the grant. Revenue for these grants is recorded for the period in which eligible expenditures are made.

3. Inventories

Inventories are valued at cost using the first in, first out method.

4. Capital Assets

Capital assets, which property, plant, equipment, and infrastructure (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 $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Net Position or Fund Equity (continued)

4. Capital Assets (continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the asset constructed.

Capital assets are depreciated using the straight line method over the following estimated useful lives:

Assets	*Years*
Buildings	50
Infrastructure	18-50
Equipment	5-50

5. Deferred Inflows/Outflows of Resources

In addition to assets and liabilities, the statement of net position and the governmental fund balance sheet will report a separate section for deferred outflows and/or inflows of resources. Deferred outflows of resources represent consumption of net position that applies to a future period(s) and therefore will not be recognized as an expense/expenditure until then. Deferred inflows of resources represent an acquisition of net position that applies to future period(s) and therefore will not be recognized as revenue until that time. The Town has an item that qualifies as deferred outflows of resources, and it has an item that qualifies as a deferred inflow. Both items are related to pensions. These amounts are considered unavailable and will be recognized as an outflow of resources (expenditure) and an inflow of resources (revenue) in the period that the amounts become available.

6. 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 Employees Retirement System (System) and additions to/deductions from MPERS' fiduciary net position have been determined on the same basis as they are reported by MPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable pursuant to formal commitments or statutory requirements. Investments are reported at fair value. Investment income is recognized when earned and investment expenses are recorded when incurred.

7. Compensated Absences

Town employees generally earn vacation days at a variable rate based on years of service. In the event of termination, an employee is reimbursed for all accumulated vacation time.

Employees earn sick leave at a rate of one work day for each full calendar month of service, accumulative to a maximum of one 120 working days. Upon retirement or resignation, an employee in good standing is entitled to payment for 25% of accrued sick time up to a maximum of 30 days.

In the fund financial statements, vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Vested or accumulated vacation leave in the government-wide financial statements is recorded as an expense and liability of the fund as the benefits accrue to employees. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulated right to receive sick pay benefits.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Net Position or Fund Equity (continued)

8. 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.

Under State Law, no municipality can incur debt, which would cause its total outstanding debt, exclusive of debt incurred for Town, storm or sanitary sewer, energy facilities, or municipal airports, to exceed 7.50% of its last full state valuation. A municipality may incur debt for Towns not exceeding 10%, storm or sanitary sewers 7.50%, and municipal airports, water districts and special purpose districts 3% of its last full state valuation. In no event can the total debt exceed 15% of its last full valuation. Full state valuation is the valuation of taxable property as certified by the State Tax Assessor, adjusted to 100%.

At June 30, the Town of Hampden is in compliance with the above requirements.

9. Fund Balances/Net Position

Fund Balances

In accordance with Government Accounting Standards Board 54, fund balance reporting and governmental fund type definitions, the Town classifies governmental fund balances as follows:

Non-spendable – includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.

Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through town council voting and does not lapse at year-end.

Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance may be assigned by the Town Manager.

Unassigned – includes positive fund balance within the general fund which has not been classified within the above mentioned categories and negative fund balance in other governmental funds.

The Town considers restricted, committed, assigned, and unassigned amounts to be spent in that order when expenditures for which any of those amounts are available.

The Town does not have a formal minimum fund balance policy.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Net Position or Fund Equity (continued)

The Town has identified June 30, 2017 fund balances on the balance sheet as follows:

	General Fund	Other Governmental Funds	Total
Nonspendable			
Dyer Library Principal		257,242	257,242
Cemetery Principal		56,918	56,918
Diane Marshall Book Fund Principal		200	200
Restricted			
Pool Donations		285	285
Public Safety Donation		2,014	2,014
Library		4,569	4,569
Children's Day Raffle		240	240
Lura Hoit Pool Scholarship		33,087	33,087
Maine Community Foundation		12	12
Pink Garden		431	431
Katahdin Trust Partnership		96	96
EVOC Equipment Grant		3	3
Maine Community Heritage Grant		129	129
Municipal Revenue Sharing	155,344		155,344
Committed			
Mayo Road Project		109,881	109,881
Capital Improvement Program		516,521	516,521
Town Reserves	122,250		122,250
Voting Machine	18,492		18,492
Recreation	341,209		341,209
Bronco Youth Football	11,028		11,028
Bronco Travel Basketball	15,655		15,655
Bronco Little League	23,420		23,420
Lura Hoit Pool	200,954		200,954
Assigned			
Dyer Library		140,324	140,324
Cemetery		32,892	32,892
Diane Marshall Book Fund		276	276
Encumbrances	178,940		178,940
Unassigned			
General Fund	1,498,682		1,498,682
Host Community Benefit	503,523		503,523
Flag Project		(580)	(580)
Rescue Equipment		(67)	(67)
Wellness Fund		(321)	(321)
Total Fund Balance	3,069,497	1,154,152	4,223,649

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Net Position or Fund Equity (continued)

9. Fund Balances/Net Position (continued)

Net Position

Net position are required to be classified into three components – net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

Net Investment in capital assets – This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets. If there are significant unspent related debt proceeds at year-end, the portions of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets.

Restricted – This component of net position consists of restrictions placed on net position use through external constraints imposed by creditors (such as debt covenants), grantors, contributors, or law or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted – This component consists of net position that does not meet the definition of "restricted" or "net investment in capital assets."

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with various legal requirements that govern the Town's operations. At its annual meeting, the Town adopts a budget for the current year for the General Fund. Budgets are adopted on a basis consistent with generally accepted accounting principles.

Management may transfer appropriations between operating categories as they deem necessary, but expenditures may not legally exceed budgeted appropriations in total. All annual appropriations lapse at fiscal year end to the extent that they have not been encumbered.

State statutes require balanced budgets, but provide for the use of beginning unreserved fund balance to achieve that end. In 2016-2017, $0 of the beginning General Fund fund balance was applied for this purpose.

Reserve funds, once established by the Town Council, may be expended with approval of the Council for the purpose for which the reserve was established.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments are carried forward to supplement appropriations of the subsequent year.

NOTE 3 - DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS

A. Deposits

Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. The Town's deposit policy for custodial credit risk requires compliance with the provisions of state law.

State Statute 5706 require banks to give bond or to pledge government securities (types of which are specifically identified in the Statutes) to the Town Treasurer in the amount of the Town's deposits. The Statutes allow pledged securities to be reduced by the amount of Federal Deposit Insurance Corporation (FDIC).

One or more of the financial institutions holding the Town's cash accounts are participating in the FDIC Transaction Account Guarantee Program. For all accounts, the Town's cash deposits, including certificates of deposits, are insured up to $250,000 per custodian by the FDIC. Any cash deposits or certificates of deposits in excess of the $250,000 FDIC limits are covered by collateral held in a Federal Reserve pledge account or by an agent for the Town and thus no custodial risk exists.

At year-end, the carrying value of the Town's deposits was $3,046,735 and the bank balance was $3,340,784. Of the bank balance, $377,476 was covered by federal depository insurance. The remaining $2,963,308 was covered by a FHLB irrevocable letter of credit.

B. Investments

At June 30, 2017, the Town had the following investments, maturities, and credit ratings:

	Fair	*Maturities in Years*				*Credit Rating*	
Type	*Value*	*< 1*	*1-5*	*6-10*	*> 10*	*S&P*	*Moody's*
General Town							
Common Stock	106,583	106,583				BBB-	Ba1
Common Stock	115,374	115,374				AA3	AA-
U.S. Treasury Securities	195,859	36,058	159,801			AA	AA
Mutual Funds	343,889	343,889				NR	NR
	761,705	601,904	159,801	-	-		
Environmental Trust							
Government Securities	3,639,800	666,304	2,603,564	369,932		AAA	AAA
	3,639,800	666,304	2,603,564	369,932	-		

Investment Policies

Generally, the Town's investing activities are managed under the custody of the Town Treasurer. Investing is performed in accordance with the investment policy adopted by the Town Council complying with state statutes. The Town may invest in securities permitted under 30-A MRSA 5712, 5713, 5714, 5715, and 5716. Upon approval of the Town Council, the treasurer of the trustee(s) of a trust fund of the town, may enter into safekeeping and investment management agreements and/or investment advisory agreements in accordance with 30-A MRSA 5706(4) and the investment funds pursuant to any such agreements shall be governed by the rule prudence as set forth in 18-A MRSA 7-302.

NOTE 3 - DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

C. Property Taxes

Property taxes were levied for the fiscal year as follows:

Assessed Value		628,065,400
Tax Rate (per $1,000)		18.20
Commitment		11,430,790
Appropriations		14,948,801
Less:		
State Municipal Revenue Sharing	377,135	
Estimated Revenues	2,812,698	
BETE Reimbursement	80,321	
Homestead Reimbursement	247,857	
		3,518,011
Net Assessment for Commitment		11,430,790

Uncollected taxes at June 30 for the current year commitment totaled $277,603. Unpaid liens at June 30 totaled $81,227.

NOTE 3 - DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

D. Capital Assets

Capital asset activity for the year ended June 30, 2017 was as follows:

	Beginning Balance	***Increases***	***Decreases***	***Ending Balance***
Governmental Activities;				
Capital assets not being depreciated				
Land	1,656,858			1,656,858
Capital assets being depreciated				
Buildings	6,018,493	9,986		6,028,479
Equipment	3,831,909	376,096	(127,000)	4,081,005
Infrastructure	31,116,022	197,695		31,313,717
Total capital assets being depreciated	40,966,424	583,777	(127,000)	41,423,201
Less accumulated depreciation for				
Buildings	2,406,068	139,577		2,545,645
Equipment	1,863,810	294,891	(81,492)	2,077,209
Infrastructure	19,932,804	933,666		20,866,470
Total accumulated depreciation	24,202,682	1,368,134	(81,492)	25,489,324
Net capital assets being depreciated	16,763,742	(784,357)	(45,508)	15,933,877
Governmental Activities Capital Assets, net	18,420,600	(784,357)	(45,508)	17,590,735

NOTE 3 - DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

D. Capital Assets (continued)

	Beginning Balance	*Increases*	*Decreases*	*Ending Balance*
Business-type Activities;				
Capital assets being depreciated				
Sewer System	13,412,223	13,132		13,425,355
Total capital assets being depreciated	13,412,223	13,132	-	13,425,355
Less accumulated depreciation for				
Sewer System	6,077,313	299,586		6,376,899
Total accumulated depreciation	6,077,313	299,586	-	6,376,899
Net capital assets being depreciated	7,334,910	(286,454)	-	7,048,456
Business-type Activities Capital Assets, net	7,334,910	(286,454)	-	7,048,456

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

Governmental Activities	
General Government	45,918
Public Safety	134,752
Recreation and Culture	55,788
Public Works, including depreciation of general infrastructure assets	1,131,676
Total Depreciation Expense - Governmental Activities	1,368,134

NOTE 3 - DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

E. Interfund Receivables and Payables

Individual fund interfund receivable and payable at June 30, 2017, were as follows:

	Interfund Receivable	*Interfund Payable*
General Fund	551,363	193,749
Special Revenue Funds	7,779	968
Capital Projects	192,616	
Permanent Funds		
Dyer Library		1,648
Cemetery	50	5,000
Enterprise Fund		
Sewer		550,443
Totals	751,808	751,808

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. On the Governmental Fund financial statements, the payables are classified as Due to Other Funds with offsetting receivables on the Governmental Fund financial statements classified as Due from Other Funds. The above balances represent cash that has been deposited into the general fund checking account for those funds. The Town Council and Town Manager are aware of the interfund balances and are working on a multi-year payback plan.

Transfers To/From Other Funds at June 30, 2017, were as follows:

	Transfers From	*Transfers To*
General Fund	5,000	433,964
Special Revenue Funds	5,447	
Capital Projects	432,517	
Trust Funds		9,000
Totals	442,964	442,964

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) use unrestricted revenues in the General fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and (3) transfer funds to general fund to cover expenditures voted on per Council.

NOTE 3 - DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

F. Capital Leases

The town is obligated under certain leases accounted for as capital leases. The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at June 30:

Year Ended June 30,	***Minimum Lease Payment***
2018	57,471
2019	57,472
2020	57,471
2021	57,472
Total Minimum Lease Payments	229,886
Less: Amount Representing Interest	(16,972)
Present Value of Future Minimum Lease Payments	212,914

G. Long-Term Debt

1. General Obligation Bonds and Notes.

The government issues general obligation bonds and notes to provide funds for the acquisition and construction of major capital facilities.

General obligation bonds and notes are direct obligations and pledge the full faith and credit of the government. General obligation bonds and notes currently outstanding are as follows:

Purpose Proprietary	***Maturity Date***	***Interest Rate***	***Amount***
1996 Sewer SRF	10/1/2017	3.02%	93,448
2006 Sewer Construction Bond	11/1/2025	2.55-6.00%	710,530
2010 Rt 1A Sewer Bond	7/29/2029	0-1.13%	1,249,216
2014 Sewer Project	11/1/2034	.41-4.02	811,845
2017 Sewer Bill Loan	1/23/2024	2.61%	244,688
2017 Sewer Project	5/16/2024	2.47%	262,936
			3,372,663

General Obligation	***Maturity Date***	***Interest Rate***	***Amount***
2000 Road Construction & Line Extensions	11/1/2020	4.676-5.751%	360,000
2002 Fire Station	11/1/2021	3.25-5.125%	421,500
2011 Mayo Rd Bond	11/1/2030	.831-5.094%	1,277,500
			2,059,000

NOTE 3 - DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

G. Long-Term Debt (continued)

1. General Obligation Bonds and Notes (continued)

Annual debt service requirements to maturity for general obligation and proprietary bonds and notes, including interest of $844,124 are as follows:

Year Ended June 30,	*General Obligation Debt*	*Proprietary*	*Total*
2018	332,914	454,619	787,533
2019	321,741	355,342	677,083
2020	310,446	350,977	661,423
2021	299,100	347,252	646,352
2022	200,266	343,130	543,396
2023-2027	537,410	1,309,886	1,847,296
2028-2032	385,847	583,436	969,283
2033-2035		143,421	143,421
Total	2,387,724	3,888,063	6,275,787

2. Changes in Long-Term Liabilities

The following summary of long-term debt transactions of the Town of Hampden for the fiscal year ended June 30, 2017:

	General Fund	*Proprietary Fund*	*Capital Leases*
Long-term Debt payable July 1, 2016	2,324,550	3,168,721	61,129
Debt Issued		521,746	267,320
Debt Retired	(265,550)	(317,804)	(115,535)
Long-term Debt payable June 30, 2017	2,059,000	3,372,663	212,914

3. Overlapping Debt

The Town's proportionate share of debt of all local government units which provide services within the Town's boundaries, and which must be borne by properties in the Town is summarized as follows:

Units	*Net debt outstanding June 30, 2016*	*Percentage applicable to the Town*	*Town's proportionate share of debt*
Regional School Unit No. 22	35,563,147	58.14%	20,676,414
Penobscot County	-	5.60%	-
Totals	35,563,147		20,676,414

The Town's proportionate share of the above debt is paid through annual assessments by the receptive units.

NOTE 3 - DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

H. Reserve Funds

The Town has authorized various reserve funds primarily for future acquisitions. At June 30 these funds total $638,771 and are detailed in Exhibits A-6 and C-3.

NOTE 4 - OTHER INFORMATION

A. Contingent Liabilities

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

B. Permanent Funds and Fiduciary Funds

The principal amount of all Nonexpendable Fiduciary Funds is restricted either by law or by terms of individual bequests in that only income earned may be expended. The government's Permanent Funds and Fiduciary Funds at June 30 are detailed as follows:

Fiduciary Funds	***Principal***	***Income***	***Total***
Hampden Environmental		3,721,655	3,721,655
Permanent Funds			
Dyer Library	257,242	140,324	397,566
Cemetery	56,918	32,892	89,810
Diane Marshall Book Fund	200	276	476
	314,360	173,492	487,852

C. Defined Benefit Employee Pension Plan

Plan Description

Qualifying personnel of the Town participate in the Maine Public Employees Retirement System (System) Participating Local District Consolidated (PLD) Plan. The plan is a multiple-employer, cost-sharing pension plan with a special funding situation. The State of Maine is also a non-employer contributing entity in that the State pays the initial unfunded actuarial liability on behalf of town employees, while towns contribute the normal cost, calculated actuarially, for their members.

NOTE 4 - OTHER INFORMATION (Continued)

C. Defined Benefit Employee Pension Plan (continued)

Pension Benefits

Benefit terms are established in Maine Statute, an advisory group, also established by statute, reviews the terms of the plan and periodically makes recommendations to the Legislature to amend them. The System's retirement programs provide defined retirement benefits based on member's average final compensation and service credit earned as of retirement. Vesting (i.e., eligibility for benefits upon reaching qualification) occur upon the earning of five years of service credit for PLD employees (effective October 1, 1999, the prior ten year requirement was reduced by legislative action to five years. In some cases, vesting occurs on the earning of one year of service credit immediately preceding retirement at or after normal retirement age. Normal retirement age for PLD employees is age 60 or 65. 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. The System also provides disability and death benefits which are established by contract with other participating employers under applicable statutory provisions.

Upon termination of membership, members' accumulated employee contributions are refundable with interest, credited in accordance with statute. Withdrawal of accumulated contributions results in forfeiture of all benefits and membership rights. The annual rate of interest credited to members' accounts is set by the System's Board of Trustees and is currently 5.0%.

Member and Employer Contributions

Retirement benefits are funded by contributions from members and employers and by earnings on investments. Disability and death benefits are funded by employer normal cost contributions and by investment earnings. Member and employer contribution rates are each a percentage of applicable member compensation. Member contribution rates are defined by law or by the System's Board of Trustees and depend on the terms of the Plan under which a member is covered. Employer contribution rates are determined through actuarial valuations. For the year ended June 30, 2016, the member contribution rate was 8% for regular – AC plan and 9.5% for special – 3C plan of applicable member compensation. The employer contribution rate was 9.5% for regular –AC plan and 11.4% for Special – 3C plan of applicable member compensation.

The required contributions paid into the System for the ended June 30, 2017 and the previous two years are as follows:

For the year ended June 30,	*Employee Contributions*	*Employer Contributions*	*Applicable Member Compensation*
2017	$ 102,402	$ 122,738	$ 1,100,814
2016	$ 93,591	$ 117,929	$ 1,057,122
2015	$ 82,568	$ 106,968	$ 995,645

Revenue Recognition

Employer contributions to the System are recognized as additions in the period when they become due pursuant to formal commitments or statutory requirements. Investment income is recognized when earned and investment expenses are recorded when incurred. For the PLD consolidated plan, total employer and non-employer

NOTE 4 - OTHER INFORMATION (Continued)

C. Defined Benefit Employee Pension Plan (continued)

contributions were the basis for the allocation, adjusted to remove the normal cost contributions paid by the local employers on behalf of their employees. These leave contributions toward the net pension liability of the Plan as the basis of allocation. This method of allocation properly distributes the collective net pension liability between the State of Maine as the non-employer contributing entity and those employers contributing towards the net pension liability of the plan using grant funding.

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

As of June 30, 2017, the Town reported a net pension liability of $978,886. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members. At June 30, 2016, the Town's proportion was .239080%, which was a decrease of 0.022607% from its proportion measured at June 30, 2015.

For the fiscal year ended June 30, 2017, the Town recognized pension expense of $122,738. At June 30, 2017, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	*Deferred Inflows of Resources*
Differences between expected and actual experience		47,029
Changes in Assumption	83,297	-
Net Difference between projected between projected and actual earnings on pension plan investments	337,352	364,270
Changes in proportion and differences between employer contributions and proportionate share of contributions		67,053
Employer Contributions made subsequent to measurement date	122,738	
	543,387	478,352

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

Year ended June 30,	
2018	(61,185)
2019	63,563
2020	6,567
2021	(66,646)

NOTE 4 - OTHER INFORMATION (Continued)

C. Defined Benefit Employee Pension Plan (continued)

Actuarial Assumptions

The total pension liability in the June 30, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary Increases	2.75%-9%
Investment Rate of Return	6.875%, per annum, compounded annually
Cost of Living Benefit Increases	2.20%

For the Town employees, the RP2014 Total Dataset Healthy Annuitant Mortality Table, for males and females is used.

The Entry Age Normal actuarial funding method is used to determine costs. Under this funding method, the total employer contribution rate consists of two elements, the normal cost rate and the unfunded actuarial liability (UAL) rate.

The individual entry age normal method is used to determine liabilities. Under the individual entry age normal method, a normal cost rate is calculated for each employee. This rate is determined by taking the value, as of age at entry into the plan, of the member's projected future benefits, and dividing it by the value, also as of the member's entry age, of his expected future salary. The normal cost of each employee is the product of his pay and his normal cost rate. The normal cost for the group is the sum of the normal costs for all members.

Experience gains and losses, i.e., decreases or increases in liabilities and/or in assets when actual experience differs from the actuarial assumptions, affect the unfunded actuarial liability.

The long-term expected rate of return on pension plan investments were 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 class of assets. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of June 30, 2016 are summarized in the following table.

NOTE 4 - OTHER INFORMATION (Continued)

A. Defined Benefit Employee Pension Plan (continued)

Asset Class	*Target Allocation*	*Long-Term Expected Real Rate of Return*
US Equities	*20%*	*5.7%*
Non-US Equities	*20%*	*5.5%*
Private Equity	*10%*	*7.6%*
Real Assets:		
Real Estate	*10%*	*5.2%*
Infrastructure	*10%*	*5.3%*
Hard Assets	*5%*	*5.0%*
Fixed Income	*25%*	*2.9%*
	100%	

Discount Rate

The discount rate used to measure the total pension liability was 6.875% for 2016. The projection of cash flows used to determine the discount rate assumed the plan member contributions will be made the current contribution rate and that employer and non-employer entity contributions will be made at contractually required rates, actuarially determined. Based on these assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. 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 liability.

The following table shows how the collective net pension liability/ (asset) as of June 30, 2016 would change if the discount rate used was one percentage point lower or one percentage point higher than the current rate.

	1% Decrease (5.875%)	*Current Discount Rate (6.875%)*	*1% Increase (7.875%)*
Proportionate Share of the Net Pension Liability	$ 1,963,947	$ 978,886	$ 237,288

Pension Plan Financial and Actuarial Information

Additional financial information and actuarial information can be found in the Maine PERS' 2016 Comprehensive Annual Financial Reports available online at www.mainepers.org or contacting the System at (207) 512-3100.

NOTE 4 - OTHER INFORMATION (Continued)

B. Pension Plans

The government's full-time employees have the option of coverage under the ICMA or Maine Public Employees Retirement Systems.

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all employees, permits the 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 plan is administered by an independent company, and the Town remits all compensation deferred to this administrator for investment as requested by the participant employees. All assets and income of the plans are held in trust for the exclusive benefit of participants and their beneficiaries.

The Town offers its employees a Money Purchase Pension Plan and Trust, which is administered by an independent provider. The Town shall contribute on behalf of each participant 8.40% of earnings plus another .5% of earnings if the employee contributes an additional 2% to a 457 deferred compensation plan for the plan year. Each participant is not required but can make voluntary contributions up to 10% of earnings for the plan year. All full-time employees not on the Maine Public Employees Retirement System are eligible to participate. Normal retirement age shall be 55 (not to exceed age 65). Participant's vesting requirements are fulfilled as follows: 3 years-20%; 4 years-40%; 5 years-60%; 6 years-80%; and 7 years and over-100%.

A participant may direct the investment without restriction among various options available under the trust. Loans are not permitted under the plan.

Additionally, the Town participates in a retirement health savings plan. Employees are allowed to contribute pre-tax wages to this account. The town will contribute the value of one sick day per month to the program for employees who have reached the maximum allowable accrued sick time of 120 days. The Town's contribution to the health savings plan was $36,800 for June 30, 2017, $36,800 for June 30, 2016, and $34,269 for June 30, 2015.

C. Deficit Fund Balance

As of June 30, 2017, the sewer fund has a negative unrestricted fund balance of $728,427. The deficit is partially due to budgeting more expenses than revenues for the past several years. The Town Council did substantially raise sewer rates in February 2016 and adopted another rate increase in May 2017.

D. Tax Abatements

The Town of Hampden negotiates tax increment financing agreements on an individual basis. The Town has tax increment financing agreements with three entities as of June 30, 2017:

NOTE 4 - OTHER INFORMATION (Continued)

D. Tax Abatements (continued)

Purpose	***Percentage of Taxes Returned during the Fiscal Year***	***Amount of Taxes Returned during the Fiscal Year***
Haverlock, Estey, & Curran built a new building in the business park and relocated to Hampden	50%	5,264.35
University Club/Dennis Paper is a grocery distributor located on the Mecaw Road. They have done two expansions over the last five years and now employ over 100 employee/owners	77%	9,357.15
Emera Maine - New facility for line workers relocated to Hampden in 2016 with the administrative offices to be relocated by 2019	50%	141,312.08

Each agreement was negotiated under a state law (the Economic Opportunity Act of 1964 as revised) allowing localities to rebate property taxes for a variety of economic development purposes, including business relocation, retention, and expansion. All Tax Increment Financing applications must be reviewed by and approved by the State of Maine Department of Economic Development and Community Development. The rebates may be granted to any business located within or promising to relocate to a government's geographic area. Localities may grant rebates up to 100 percent of annual property taxes through a direct reimbursement of the entity's property tax bill. The state law does provide for the recapture of the rebated taxes in the event that the recipient does not fulfill the commitment it makes in return for the reimbursement.

The Town of Hampden has adopted a Tax Increment Financing Policy. The Town of Hampden has not made any commitments as part of the agreements other than to reduce taxes. The Town is not subject to any tax rebate agreements entered into by other governmental agencies. The Town has chosen to disclose information about its tax rebate agreements individually.

TOWN OF HAMPDEN ***Exhibit J***

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL - UNASSIGNED FUND BALANCE

FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	*Final Budget*	*Actual*	*Variance Favorable (Unfavorable)*
Revenues				
Taxes	13,255,299	13,255,299	13,468,411	213,112
Intergovernmental Revenues	569,248	572,608	572,976	368
Departmental Revenues	382,895	382,895	420,519	37,624
Other Local Sources	259,232	259,232	277,734	18,502
Total Revenues	14,466,674	14,470,034	14,739,640	269,606
Expenditures (Net of Departmental Revenues)				
General Government	1,144,132	1,144,132	1,152,210	(8,078)
Public Safety	2,722,116	2,725,476	2,761,079	(35,603)
Public Works	1,525,387	1,525,387	1,348,624	176,763
Solid Waste	360,028	360,028	405,079	(45,051)
Recreation and Culture	593,115	593,115	587,177	5,938
The Bus	84,597	84,597	83,496	1,101
Buildings and Grounds	196,495	196,495	182,546	13,949
General Assistance	6,000	6,000	4,457	1,543
Debt Service	339,986	339,986	339,973	13
Tax Increment Financing	155,941	155,941	158,428	(2,487)
Assessments	7,214,495	7,214,495	7,108,589	105,906
Total Expenditures	14,342,292	14,345,652	14,131,658	213,994
Excess Revenues Over Expenditures	124,382	124,382	607,982	483,600
Other Financing Sources				
Transfer from Other Funds	382,135	382,135	382,135	-
Transfers to Other Funds	(506,517)	(506,517)	(506,517)	-
Total Other Financing Sources (Uses)	(124,382)	(124,382)	(124,382)	-
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	-	-	483,600	**483,600**
Unassigned Fund Balance - July 1			1,015,082	
Host Community Benefit			503,523	
Unassigned Fund Balance - June 30			**2,002,205**	

TOWN OF HAMPDEN ***Exhibit K***

REQUIRED SUPPLEMENTARY INFORMATION

PENSION PLAN SCHEDULES - LAST 10 FISCAL YEARS

FOR THE YEAR ENDED JUNE 30, 2017

Schedule 1 - Proportionate Share of the Net Pension Liability	***Participating Local Districts Plan***		
	For the Fiscal Year Ended June 30, 2017	*For the Fiscal Year Ended June 30, 2016*	*For the Fiscal Year Ended June 30, 2015*
Proportion of net pension liability	0.239080%	0.261687%	0.284342%
Proportionate share of net pension liability	$978,886	$834,901	$437,549
Covered employee payroll	$1,100,814	$1,057,122	$995,645
Proportionate share of the net pension liability as a percentage of its covered employee payroll	88.92%	78.98%	43.95%
Plan Total Pension Liability	$2,889,740,634	$2,720,936,009	$2,609,657,845
Plan Fiduciary Net Position	$2,358,409,925	$2,401,889,308	$2,455,776,671
Plan Net Pension Liability	$531,330,709	$319,046,701	$153,881,174
Plan Fiduciary Net Position as a % Of the Total Pension Liability	81.613%	88.274%	94.103%
Plan Covered Employee Payroll	$521,870,235	$497,616,846	$460,029,637
Plan Net Pension Liability as a % Of the Covered Employee Payroll	101.813%	64.115%	33.450%

* *Amounts presented for each fiscal year were determined as of June 30. A full year schedule will be displayed as it becomes available.*

Schedule 2 - Schedule of Town Contributions:

	For the Fiscal Year Ended June 30, 2017	*For the Fiscal Year Ended June 30, 2016*	*For the Fiscal Year Ended June 30, 2015*
Contractually required contribution	$122,738	$117,929	$106,968
Contribution in relation to the contractually required contribution	($122,738)	($117,929)	($106,968)
Contribution deficiency	$0	$0	$0
Covered employee payroll	$1,100,814	$1,057,122	$995,645
Contributions as a percentage of covered employee payroll	11.15%	11.16%	10.74%

* *Amounts presented for each fiscal year were determined as of June 30. A full year schedule will be displayed as it becomes available.*

NOTE 1 - Actuarial Methods and Assumptions

The information in the historical pension information was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation date June 30, 2016, is as follows:

A. Actuarial Cost Method

The Entry Age Normal actuarial funding method is used to determine costs. Under this funding method, the total employer contribution rate consists of two elements, the normal cost rate and the unfunded actuarial liability rate.

The individual entry age normal method is used to determine liabilities. Under the individual entry age normal method, a normal cost rate is calculated for each employee. This rate is determined by taking the value, as of age at entry into the plan, of the member's projected future benefits, and dividing it by the value, also as of the member's entry age, of their expected future salary. The normal cost for each employee is the product of their pay and their normal cost rate. The normal cost for the group is the sum of the normal costs for all members.

B. Asset Valuation Method

The actuarial valuation employs a technique for determining the actuarial value of assets which dampens the swing in the market value. The specific technique adopted in this valuation recognizes in a given year one-third of the investment return that is different from the actual assumption for investment return.

C. Amortization

The net pension liability is amortized on a level percentage of payrolls over the amortization period then in effect in statutory and constitutional requirements. All other gains, losses, and changes are amortized over ten-year periods beginning on the date as of which they occur. The net pension liability of the PLD Consolidated Plan is amortized on a level percentage of payroll using a method where a separate twenty-year closed period is established annually for the gain or loss for that year.

Significant actuarial assumptions employed by the actuary for funding purposes as of June 30, 2016 are as follows:

	PLD Plan
Investment Rate of Return:	6.875% per annum, compounded annually
Inflation Rate	2.75%
Rates of Salary Increase	2.75% to 9.0%
Cost of Living Benefit:	2.20%

For Town employees, the mortality rate is based on the RP2014 Total Dataset Healthy Annuitant Mortality Table for males and females for both the SET Plan and PLD Plan. The actuarial assumptions used in the June 30, 2016 valuation were based on the Entry Age Normal actuarial funding method. Under this funding method, the total employer contribution rate consists of two elements, the normal cost rate and the unfunded actuarial liability rate.

TOWN OF HAMPDEN
GENERAL FUND
STATEMENT OF ESTIMATED AND ACTUAL REVENUES
FOR THE YEAR ENDED JUNE 30, 2017

	Estimated	***Actual***	***Over (Under) Budget***
Taxes			
Property	11,430,799	11,410,688	(20,111)
Auto Excise	1,780,000	2,014,933	234,933
Boat Excise	10,000	11,477	1,477
Lien Interest and Fees	23,500	19,801	(3,699)
Interest on Taxes	11,000	11,512	512
	13,255,299	13,468,411	213,112
Intergovernmental Revenues			
General Assistance	3,000	2,932	(68)
Tree Growth	3,400	4,015	615
Veterans Reimbursement	6,700	6,502	(198)
Homestead Reimbursement	247,857	247,857	-
Business Equipment Tax Reimbursement	80,321	80,405	84
State Road Assistance	65,316	65,316	-
DEA/School Reimb.	160,000	161,411	1,411
Highway Safety Grant	3,360	3,360	-
Snowmobile Reimbursement	2,654	1,178	(1,476)
	572,608	572,976	368
Departmental Revenues			
Ambulance Service	200,000	210,737	10,737
Police	2,500	1,126	(1,374)
Fire	2,000	1,231	(769)
Solid Waste Recycling	4,500	8,107	3,607
Transfer Station	31,795	32,825	1,030
Sewer	60,000	60,769	769
Plumbing Fees	8,500	8,188	(312)
Re-Registration Fees	20,500	25,706	5,206
Town Clerk Fees	14,500	13,086	(1,414)
Public Works/Cemetery Fees	6,100	7,432	1,332
Code Officer	20,500	18,160	(2,340)
Library	6,500	7,119	619
Animal Control	3,000	3,000	-
Planning/Zoning Fees	2,500	23,033	20,533
	382,895	420,519	37,624

	Estimated	*Actual*	*Over (Under) Budget*
Other Local Sources			
Interest on Investments	10,000	9,916	(84)
Fair Value Increases (Decreases)		26,742	26,742
Cable TV Franchise	39,000	33,644	(5,356)
Sale of Cemetery Lots	2,500	3,163	663
Rental Income	2,000	2,000	-
Fees and Permits	1,000	78	(922)
Service Charges	13,540	9,116	(4,424)
PERC Revenue	65,000	48,737	(16,263)
401 Forfeiture Funds	6,192	6,082	(110)
Environmental Trust	120,000	129,992	9,992
All Other		8,264	8,264
	259,232	277,734	18,502
Operating Transfers In			
Municipal Revenue Sharing	377,135	377,135	-
Cemetery Reserve	5,000	5,000	-
	382,135	382,135	-
Total Revenues and Transfers	14,852,169	**15,121,775**	**269,606**
Beginning Fund Balance Used To Reduce Tax Commitment	-		
Total	**14,852,169**		

TOWN OF HAMPDEN
GENERAL FUND
STATEMENT OF APPROPRIATIONS, EXPENDITURES AND ENCUMBRANCES
FOR THE YEAR ENDED JUNE 30, 2017

	Encumbered From 6/30/16	*Appropriations*	*Expenditures Net of Refund*	*Encumbered To 6/30/18*	*Under Budget*
General Government					
Administration		598,062	598,517		(455)
GIS/IT		108,031	106,608		1,423
Communications		19,483	18,606	1,889	(1,012)
Town Council		29,717	31,468		(1,751)
Municipal Building		95,561	99,326		(3,765)
Tax Collector		7,350	7,522		(172)
Elections		9,514	8,157		1,357
Planning/Assessing		274,164	278,850		(4,686)
Economic Development		2,250	1,267		983
	-	1,144,132	1,150,321	1,889	(8,078)
Public Safety					
Police Department		1,017,399	1,026,875		(9,476)
DARE Program	1,733				1,733
Fire Department		966,605	996,227		(29,622)
Public Safety		197,377	189,883		7,494
Non Department Utilities		544,095	549,827		(5,732)
	1,733	2,725,476	2,762,812	-	(35,603)
Public Works					
Public Works	52,491	1,367,867	1,068,767	171,811	179,780
Municipal Garage		34,090	37,440		(3,350)
Stormwater		123,430	117,857	5,240	333
	52,491	1,525,387	1,224,064	177,051	176,763
Solid Waste		360,028	405,079		(45,051)
Recreation and Culture					
Recreation		137,083	139,384		(2,301)
Dyer Library		250,008	251,818		(1,810)
Lura Hoit Pool		206,024	195,975		10,049
	-	593,115	587,177	-	5,938

TOWN OF HAMPDEN
GENERAL FUND
STATEMENT OF APPROPRIATIONS, EXPENDITURES AND ENCUMBRANCES
FOR THE YEAR ENDED JUNE 30, 2017

	Encumbered From 6/30/16	*Appropriations*	*Expenditures Net of Refund*	*Encumbered To 6/30/18*	*(Over) Under Budget*
The Bus		84,597	83,496		1,101
Buildings and Grounds		196,495	182,546		13,949
General Assistance		6,000	4,457		1,543
Debt Service		339,986	339,973		13
TIF		155,941	158,428		(2,487)
Assessments					
Regional School District		6,308,863	6,308,862		1
County Tax		792,558	792,558		-
Overlay		113,074	7,169		105,905
		7,214,495	7,108,589	-	105,906
Transfers To Other Funds					
Town Roads Reserve		4,498	4,498		-
Public Works Equipment Reserve		137,774	137,774		-
Municipal Building Reserve		20,000	20,000		-
Ambulance Reserve		77,245	77,245		-
Wage Study Reserve		40,000	40,000		-
Police Cruiser Reserve		34,000	34,000		-
Solid Waste Reserve		58,000	58,000		-
Recreation Area Reserve		80,000	80,000		-
Pool Facility Reserve		5,000	5,000		-
Fire Truck Reserve		50,000	50,000		-
		506,517	506,517		-
Totals	**54,224**	**14,852,169**	**14,513,459**	**178,940**	**213,994**

TOWN OF HAMPDEN *Exhibit A-3*
GENERAL FUND
STATEMENT OF CHANGES IN UNASSIGNED FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2017

Unassigned Fund Balance, July 1	1,015,082	
Unassigned Fund Balance, June 30	1,498,682	
Increase (Decrease)		**483,600**

Analysis of Change

Budget Summary		
Revenue Surplus (Exhibit A-1)	269,606	
Unexpended Balance of Appropriations and Operating Transfers (Exhibit A-2)	213,994	
Budget Surplus		483,600
Deductions		
Beginning Fund Balance Used To Reduce Tax Commitment		-
Increase (Decrease)		**483,600**

***Reconciliation Between General Unassigned Fund Balance and Exhibit C Unassigned Fund Balance:**

General Fund Unassigned Fund Balance - Exhibit A-3	1,498,682
Host Community Benefit	503,523
Total Unassigned Fund Balance Exhibit C	2,002,205

TOWN OF HAMPDEN
ALL GENERAL RESERVES
BALANCE SHEET
JUNE 30, 2017

Assets	*Municipal Revenue Sharing*	*Town Reserves*	*Voting Machine*	*Recreation*	*Bronco Youth Football*
Cash and Equivalents		53,742			
Investments		16,508			
Due from Other Funds	155,344	52,000	18,492	341,209	11,028
Total Assets	**155,344**	**122,250**	**18,492**	**341,209**	**11,028**
Liabilities & Fund Balances					
Liabilities					
Due to Other Funds					
Total Liabilities	-	-	-	-	-
Fund Balances					
Restricted	155,344				
Committed		122,250	18,492	341,209	11,028
Unassigned					
Total Fund Balances	155,344	122,250	18,492	341,209	11,028
Total Liabilities & Fund Balances	**155,344**	**122,250**	**18,492**	**341,209**	**11,028**

TOWN OF HAMPDEN
ALL GENERAL RESERVES
BALANCE SHEET
JUNE 30, 2017

Assets	*Bronco Travel Basketball*	*Bronco Little League*	*Host Community Benefit*	*Lura Hoit Enterprise*	*Lura Hoit Pool*	*Totals*
Cash and Equivalents					36,801	90,543
Investments					91,438	107,946
Due from Other Funds	15,655	23,420	503,523	100,452		1,221,123
Total Assets	**15,655**	**23,420**	**503,523**	**100,452**	**128,239**	**1,419,612**
Liabilities & Fund Balances						
Liabilities						
Due to Other Funds					27,737	27,737
Total Liabilities	-	-	-	-	27,737	27,737
Fund Balances						
Restricted						155,344
Committed	15,655	23,420		100,452	100,502	733,008
Unassigned			503,523			503,523
Total Fund Balances	15,655	23,420	503,523	100,452	100,502	1,391,875
Total Liabilities & Fund Balances	**15,655**	**23,420**	**503,523**	**100,452**	**128,239**	**1,419,612**

TOWN OF HAMPDEN *Exhibit A-5*
ALL GENERAL RESERVES *Page 1 of 2*
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017

	Municipal Revenue Sharing	*Town Reserves*	*Fire Training School*	*Voting Machine*	*Recreation*	*Bronco Youth Football*
Revenues						
Intergovernmental Revenues	379,813					
Investment Income		779				
Fair Value Increases (Decreases)		(508)				
Other Local Sources		818			360,809	7,940
Total Revenues	379,813	1,089	-	-	360,809	7,940
Expenditures						
General Government		50,609				
Public Safety		37,697	4,061			
Public Works		1,523				
Recreation and Culture					244,265	7,384
Total Expenditures		89,829	4,061	-	244,265	7,384
Excess of Revenues Over (Under) Expenditures	379,813	(88,740)	(4,061)	-	116,544	556
Other Financing Sources (Uses)						
Transfers from Other Funds		74,000				
Transfers to Other Funds	(377,135)	(1,447)				
Total Other Financing Sources (Uses)	(377,135)	72,553	-	-	-	-
Excess of Revenues and Other Financing Sources (Uses) Over Expenditures	2,678	(16,187)	(4,061)	-	116,544	556
Fund Balance - July 1	152,666	138,437	4,061	18,492	224,665	10,472
Fund Balance - June 30	**155,344**	**122,250**	**-**	**18,492**	**341,209**	**11,028**

TOWN OF HAMPDEN *Exhibit A-5*
ALL GENERAL RESERVES *Page 2 of 2*
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017

	Bronco Travel Basketball	*Bronco Little League*	*Host Community Benefit*	*Lura Hoit Enterprise*	*Lura Hoit Pool*	*Totals*
Revenues						
Intergovernmental Revenues						379,813
Investment Income					2,321	3,100
Fair Value Increases (Decreases)					1,927	1,419
Other Local Sources	31,581	44,932	289,154	163,605	15,810	914,649
Total Revenues	31,581	44,932	289,154	163,605	20,058	1,298,981
Expenditures						
General Government			1,161			51,770
Public Safety						41,758
Public Works			16,460			17,983
Recreation and Culture	34,001	21,512		121,606	332	429,100
Total Expenditures	34,001	21,512	17,621	121,606	332	540,611
Excess of Revenues Over (Under) Expenditures	(2,420)	23,420	271,533	41,999	19,726	758,370
Other Financing Sources (Uses)						
Transfers from Other Funds						74,000
Transfers to Other Funds						(378,582)
Total Other Financing Sources (Uses)	-	-	-	-	-	(304,582)
Excess of Revenues and Other Financing Sources (Uses) Over Expenditures	(2,420)	23,420	271,533	41,999	19,726	453,788
Fund Balance - July 1	18,075		231,990	58,453	80,776	938,087
Fund Balance - June 30	**15,655**	**23,420**	**503,523**	**100,452**	**100,502**	**1,391,875**

TOWN OF HAMPDEN
GENERAL RESERVE FUNDS
SCHEDULE OF ACTIVITY
FOR THE YEAR ENDED JUNE 30, 2017

Exhibit A-6

Reserve Fund	*Balance July 1*	*Revenues*	*Interest*	*Increase (Decrease) In Fair Value*	*Transfers In*	*Expenditures*	*Transfers Out*	*Balance June 30*
Boat Fund/Public Safety	1,478		10	(6)				1,482
Buildings/Grounds	3,306		21	(14)				3,313
Contingency	618		4	(2)				620
Copier	243		1	(1)				243
DEP/EPA Garage Improvement	17,805		114	(74)				17,845
Economic Development	1,560		10	(7)				1,563
EMS/Vaccine	1,195		8	(5)				1,198
Fire Department Building	1,640		10	(7)				1,643
Fire Training	2,352		15	(10)				2,357
Fire Truck Refurbishing	20,973		126	(82)		(1,333)		19,684
Fire Visual Aid	58							58
GIS Mapping	22,397		97	(63)		(8,295)		14,136
Library Grant	259		1	(1)				259
Matching Grants	14,563	818	76	(49)		(1,523)	(1,447)	12,438
Planning Board Development	120		1	(1)				120
Planning Board	752		4	(3)				753
Planning and Commissions	5,265		34	(22)				5,277
Police Cruiser/Communication	23,326		131	(86)	34,000	(36,364)		21,007
Town Properties Survey	7,590		49	(32)				7,607
Town Records Restoration	2		1					3
Wage Study and Implementation	12,935		66	(43)	40,000	(42,314)		10,644
	138,437	**818**	**779**	**(508)**	**74,000**	**(89,829)**	**(1,447)**	**122,250**

TOWN OF HAMPDEN
ALL SPECIAL REVENUE FUNDS
BALANCE SHEET
JUNE 30, 2017

Assets	*Pool Donation*	*Public Safety Donation*	*Library Fund*	*Library Grant*	*Flag Project*	*Rescue Equipment*	*Children's Day Raffle*
Cash and Equivalents							
Due from Other Funds	285	2,014	4,557	12			240
Total Assets	**285**	**2,014**	**4,557**	**12**	**-**	**-**	**240**
Liabilities & Fund Balances							
Liabilities							
Due to Other Funds					580	67	
Total Liabilities	-	-	-	-	580	67	-
Fund Balances							
Restricted	285	2,014	4,557	12			240
Unassigned					(580)	(67)	
Total Fund Balances	285	2,014	4,557	12	(580)	(67)	240
Total Liabilities & Fund Balances	**285**	**2,014**	**4,557**	**12**	**-**	**-**	**240**

TOWN OF HAMPDEN
ALL SPECIAL REVENUE FUNDS
BALANCE SHEET
JUNE 30, 2017

Assets	*Lura Hoit Pool Scholarship*	*Maine Community Foundation*	*Wellness Fund*	*Pink Garden*	*Katahdin Trust Partnership*	*EVOC Equipment Grant*	*Maine Community Heritage Grant*	*Totals*
Cash and Equivalents	33,087							33,087
Due from Other Funds		12		431	96	3	129	7,779
Total Assets	**33,087**	**12**	**-**	**431**	**96**	**3**	**129**	**40,866**
Liabilities & Fund Balances								
Liabilities								
Due to Other Funds			321					968
Total Liabilities	-	-	321	-	-		-	968
Fund Balances								
Restricted	33,087	12		431	96	3	129	40,866
Unassigned			(321)					(968)
Total Fund Balances	33,087	12	(321)	431	96	3	129	39,898
Total Liabilities & Fund Balances	**33,087**	**12**	**-**	**431**	**96**	**3**	**129**	**40,866**

TOWN OF HAMPDEN
ALL SPECIAL REVENUE FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017

	Pool Donation	*Public Safety Donation*	*Hampden Bus. Assoc. Fund*	*Scene Lights Grant*	*Trail Signs*	*Library Fund*	*Library Grant*
Revenues							
Intergovernmental Revenues							
Other Local Sources		50		2,318	1,000	12,527	1,000
Total Revenues	-	50	-	2,318	1,000	12,527	1,000
Expenditures							
General Government			1,065				
Public Safety				2,318			
Recreation and Culture					1,000	14,024	16,551
Total Expenditures	-	-	1,065	2,318	1,000	14,024	16,551
Excess of Revenues Over (Under) Expenditures	-	50	(1,065)	-	-	(1,497)	(15,551)
Other Financing Sources (Uses)							
Transfers from Other Funds						4,000	
Transfers to Other Funds							
Total Other Financing Sources (Uses)	-	-	-	-	-	4,000	-
Excess of Revenues and Other Financing Sources (Uses) Over Expenditures	-	50	(1,065)	-	-	2,503	(15,551)
Fund Balance - July 1	285	1,964	1,065			2,054	15,563
Fund Balance - June 30	**285**	**2,014**	**-**	**-**	**-**	**4,557**	**12**

TOWN OF HAMPDEN
ALL SPECIAL REVENUE FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017

	Flag Project	*Rescue Equipment*	*Children's Day Raffle*	*Turnout Gear Extractor*	*Lura Hoit Pool Scholarship*	*Maine Community Foundation*	*Wellness Fund*
Revenues							
Intergovernmental Revenues		1,447		16,378			
Other Local Sources			830		2,412	406	506
Total Revenues	-	1,447	830	16,378	2,412	406	506
Expenditures							
General Government							857
Public Safety		2,961		16,378			
Recreation and Culture			1,035		649	394	
Total Expenditures	-	2,961	1,035	16,378	649	394	857
Excess of Revenues Over (Under) Expenditures	-	(1,514)	(205)	-	1,763	12	(351)
Other Financing Sources (Uses)							
Transfers from Other Funds		1,447					
Transfers to Other Funds							
Total Other Financing Sources (Uses)	-	1,447	-	-	-	-	-
Excess of Revenues and Other Financing Sources (Uses) Over Expenditures	-	(67)	(205)	-	1,763	12	(351)
Fund Balance - July 1	(580)		445		31,324		30
Fund Balance - June 30	**(580)**	**(67)**	**240**	**-**	**33,087**	**12**	**(321)**

TOWN OF HAMPDEN
ALL SPECIAL REVENUE FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017

	Pink Garden	*Katahdin Trust Partnership*	*MRPA Tickets*	*EVOC Equipment Grant*	*Maine Community Heritage Grant*	*Totals*
Revenues						
Intergovernmental Revenues						17,825
Other Local Sources	73		8,019			29,141
Total Revenues	73	-	8,019	-	-	46,966
Expenditures						
General Government	87					2,009
Public Safety						21,657
Recreation and Culture			8,784			42,437
Total Expenditures	87	-	8,784	-	-	66,103
Excess of Revenues Over (Under) Expenditures	(14)	-	(765)	-	-	(19,137)
Other Financing Sources (Uses)						
Transfers from Other Funds						5,447
Transfers to Other Funds						-
Total Other Financing Sources (Uses)	-	-	-	-	-	5,447
Excess of Revenues and Other Financing Sources (Uses) Over Expenditures	(14)	-	(765)	-	-	(13,690)
Fund Balance - July 1	445	96	765	3	129	53,588
Fund Balance - June 30	**431**	**96**	**-**	**3**	**129**	**39,898**

TOWN OF HAMPDEN ***Exhibit C-1***
ALL CAPITAL PROJECTS FUNDS
BALANCE SHEET
JUNE 30, 2017

	Mayo Road	*Capital Improvement Program*	*Totals*
Assets			
Cash		350,974	350,974
Investments		84,506	84,506
Due from Other Funds	109,881	82,735	192,616
Total Assets	**109,881**	**518,215**	**628,096**
Liabilities & Fund Balances			
Liabilities			
Accounts Payable		1,694	1,694
Due To Other funds			-
Total Liabilities	-	1,694	1,694
Fund Balances			
Committed	109,881	516,521	626,402
Total Fund Balances	109,881	516,521	626,402
Total Liabilities & Fund Balances	**109,881**	**518,215**	**628,096**

TOWN OF HAMPDEN ***Exhibit C-2***

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

ALL CAPITAL PROJECT FUNDS

FOR THE YEAR ENDED JUNE 30, 2017

	Mayo Road	*Capital Improvement Program*	*Totals*
Revenues			
Investment Income		3,465	3,465
Fair Value Increases (Decreases)		(2,259)	(2,259)
Other Local Sources		4,698	4,698
Total Revenues	-	5,904	5,904
Expenditures			
Capital Outlay		283,188	283,188
Total Expenditures	-	283,188	283,188
Excess of Revenues Over Expenditures	-	(277,284)	(277,284)
Other Financing Sources (Uses)			
Transfers from Other Funds		432,517	432,517
Transfers to Other Funds		-	-
Total Other Financing Uses	-	432,517	432,517
Excess of Revenues and Other Financing Sources (Uses) Over Expenditures	-	155,233	155,233
Fund Balance - July 1	109,881	361,288	471,169
Fund Balance - June 30	**109,881**	**516,521**	**626,402**

TOWN OF HAMPDEN
CAPITAL IMPROVEMENT PROGRAM
SCHEDULE OF ACTIVITY
FOR THE YEAR ENDED JUNE 30, 2017

Exhibit C-3

Reserve Fund	*Balance July 1*	*Revenues*	*Interest*	*Increase (Decrease) In Fair Value*	*Transfers In*	*Expenditures*	*Transfers Out*	*Balance June 30*
Ambulance	(47,636)		177	(115)	77,245			29,671
Bus	1,153		7	(4)				1,156
Cemetery	14,494	2,112	80	(52)		(6,405)		10,229
Communications	806		5	(3)				808
Computer	68,371	1,283	383	(250)		(12,290)		57,497
Equip. Replacement - Public Works	4,190	853	79	(52)	137,774	(129,281)		13,563
Fire Truck	87,274		812	(529)	50,000			137,557
Library	25,229		148	(97)		(1,462)		23,818
Marina	14,424		90	(58)		(477)		13,979
Municipal Building	15,586		150	(98)	20,000	(10,823)		24,815
Pool Facility	47,034		327	(213)	5,000			52,148
Recreation	51,981	450	(39)	25		(43,524)		8,893
Recreation Area			436	(284)	80,000	(15,215)		64,937
Solid Waste	18,608		412	(269)	58,000			76,751
Town Roads	59,774		398	(260)	4,498	(63,711)		699
	361,288	**4,698**	**3,465**	**(2,259)**	**432,517**	**(283,188)**	**-**	**516,521**

TOWN OF HAMPDEN
ALL PERMANENT FUNDS
BALANCE SHEET
JUNE 30, 2017

Exhibit D-1

Assets	*Dyer Library*	*Cemetery*	*Diane Marshall Book Fund*	*Totals*
Cash and Equivalents	9,070	14,677	476	24,223
Investments	390,144	80,083		470,227
Due from Other Funds		50		50
Total Assets	**399,214**	**94,810**	**476**	**494,500**
Liabilities & Fund Balances				
Liabilities				
Due to Other Funds	1,648	5,000		6,648
Total Liabilities	1,648	5,000	-	6,648
Fund Balances				
Nonspendable	257,242	56,918	200	314,360
Assigned	140,324	32,892	276	173,492
Total Fund Balances	397,566	89,810	476	487,852
Total Liabilities & Fund Balances	**399,214**	**94,810**	**476**	**494,500**

TOWN OF HAMPDEN ***Exhibit D-2***

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

ALL PERMANENT FUNDS

FOR THE YEAR ENDED JUNE 30, 2017

	Dyer Library	*Cemetery*	*Diane Marshall Book Fund*	*Totals*
Revenues				
Fair Value Increases (Decreases)	7,094	(1,701)		5,393
Investment Income	5,417	1,012		6,429
Other Local Sources				-
Total Revenues	12,511	(689)	-	11,822
Expenditures				
Cemetery Maintenance				-
Total Expenditures	-	-	-	-
Excess of Revenues Over Expenditures	12,511	(689)	-	11,822
Other Financing Sources (Uses)				
Transfers to Other Funds	(4,000)	(5,000)		(9,000)
Total Other Financing Uses	(4,000)	(5,000)	-	(9,000)
Excess of Revenues and Other Financing Sources (Uses) Over Expenditures	8,511	(5,689)	-	2,822
Fund Balance - July 1	389,055	95,499	476	485,030
Fund Balance - June 30	**397,566**	**89,810**	**476**	**487,852**

Town of Hampden
106 Western Avenue
Hampden, Maine 04444

Phone: **(207) 862-3034**
Fax: **(207) 862-5067**
Email:
townmanager@hampdenmaine.gov

TO: Finance Committee and Town Council
FROM: Angus Jennings, Town Manager
DATE: March 29, 2018
RE: FY17 Audit

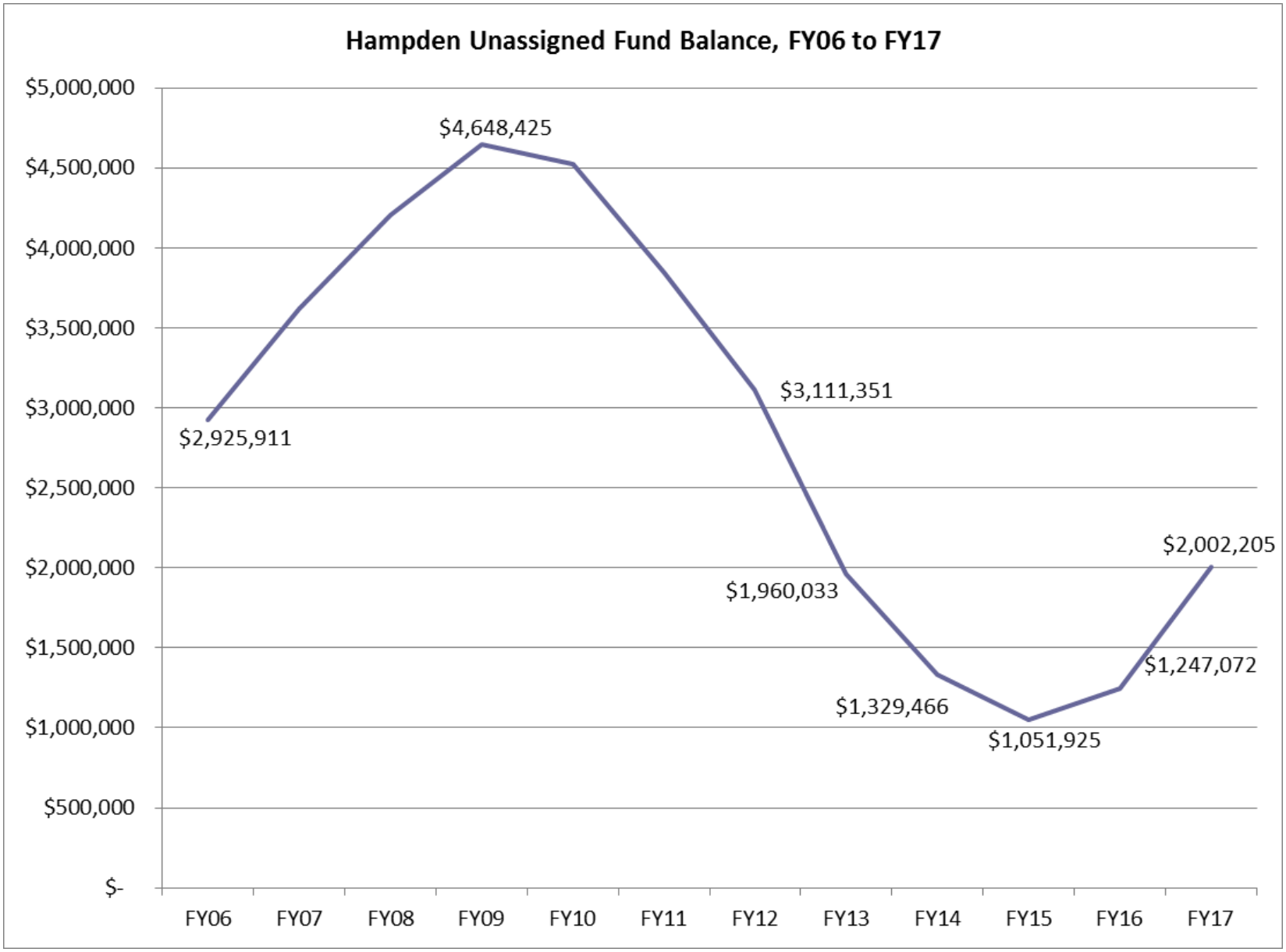
The FY17 Audit was completed this week. The Town's independent auditor, James Wadman, CPA, will attend Monday's Finance Committee and Council meetings in order to present the FY17 Audit, a copy of which is enclosed.

There is a lot of good news in the Audit. Please find enclosed a series of charts summarizing key trends in the areas of Unassigned Fund Balance and the Sewer Fund, each of which I have presented previously, now updated to include FY17 results.

However, the Auditor also provided a Management Letter identifying deficiencies relative to reconciliation of cash accounts, and reserve sub-accounting. Both of these deficiencies were known to us, and have been discussed with the Finance Committee and its various Chairmen during my tenure. The reasons for these deficiencies are also well known, I have discussed them with the Auditor, and they are in agreement.

On the basis of my tenure, and knowing that I and my staff have invested talent and effort to the limits of our capacities, I am now convinced that we are short-staffed in the finance arena, which has been operating at reduced staffing levels since the most recent dedicated Finance Director retired in 2011 and was not replaced. (Our finance director also functions as the Town Accountant and Human Resources Officer, so doesn't have anything close to full-time hours to devote to finance director functions). I will therefore propose a new full-time position in the FY19 budget, to serve as Treasurer and to take on several other functions that will improve operations in multiple departments, and will help put the new Manager in a position to build on the success of the past three years.

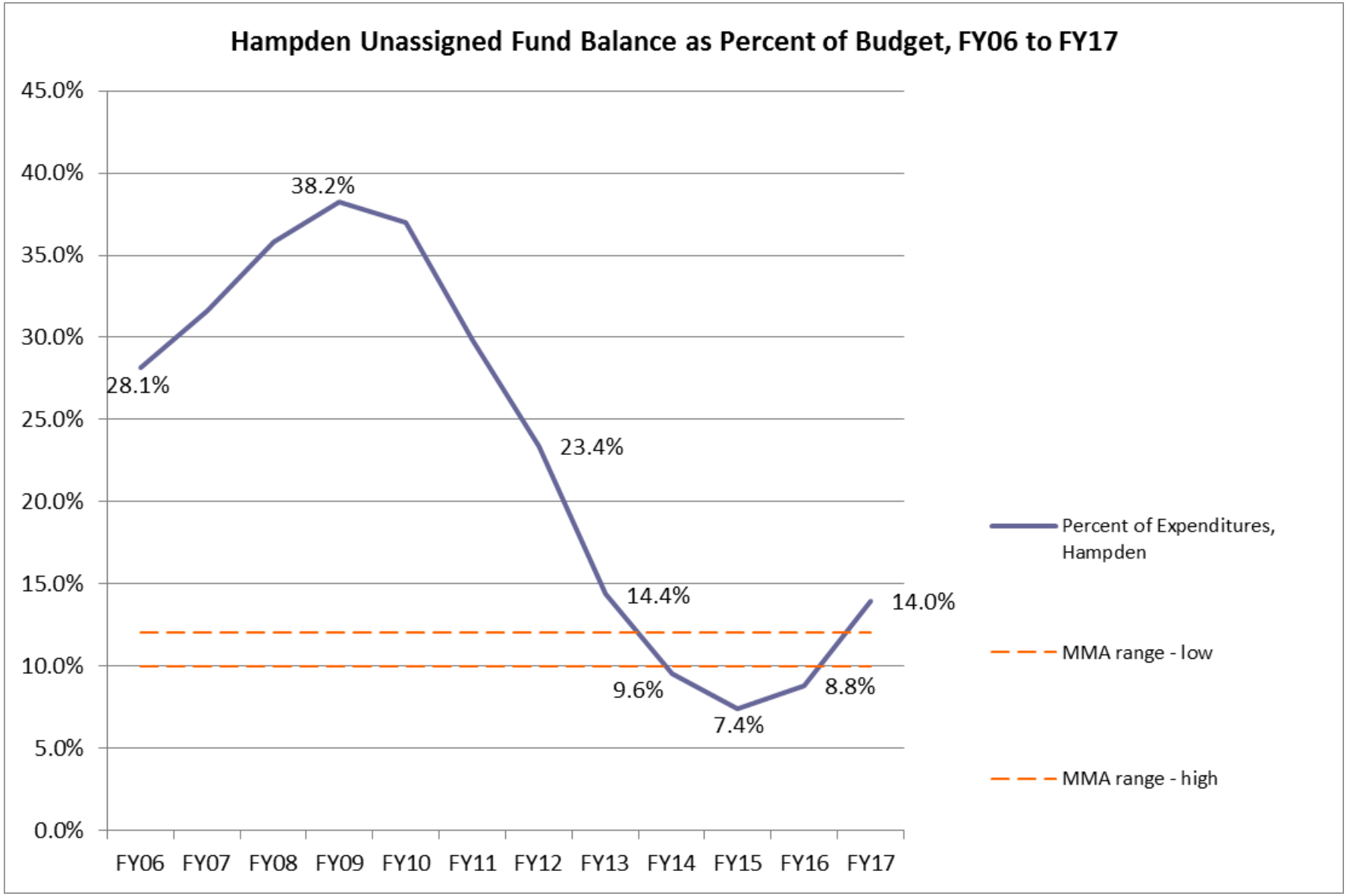
As I approach the end of my tenure in Hampden, my hope at this point is to see through the FY19 budget process in a responsible way, and hopefully hand off a more appropriately staffed organization to my successor.



Note: Unassigned Fund Balance includes year-end balances in Host Community Benefits account.

Source: Angus Jennings, Town Manager

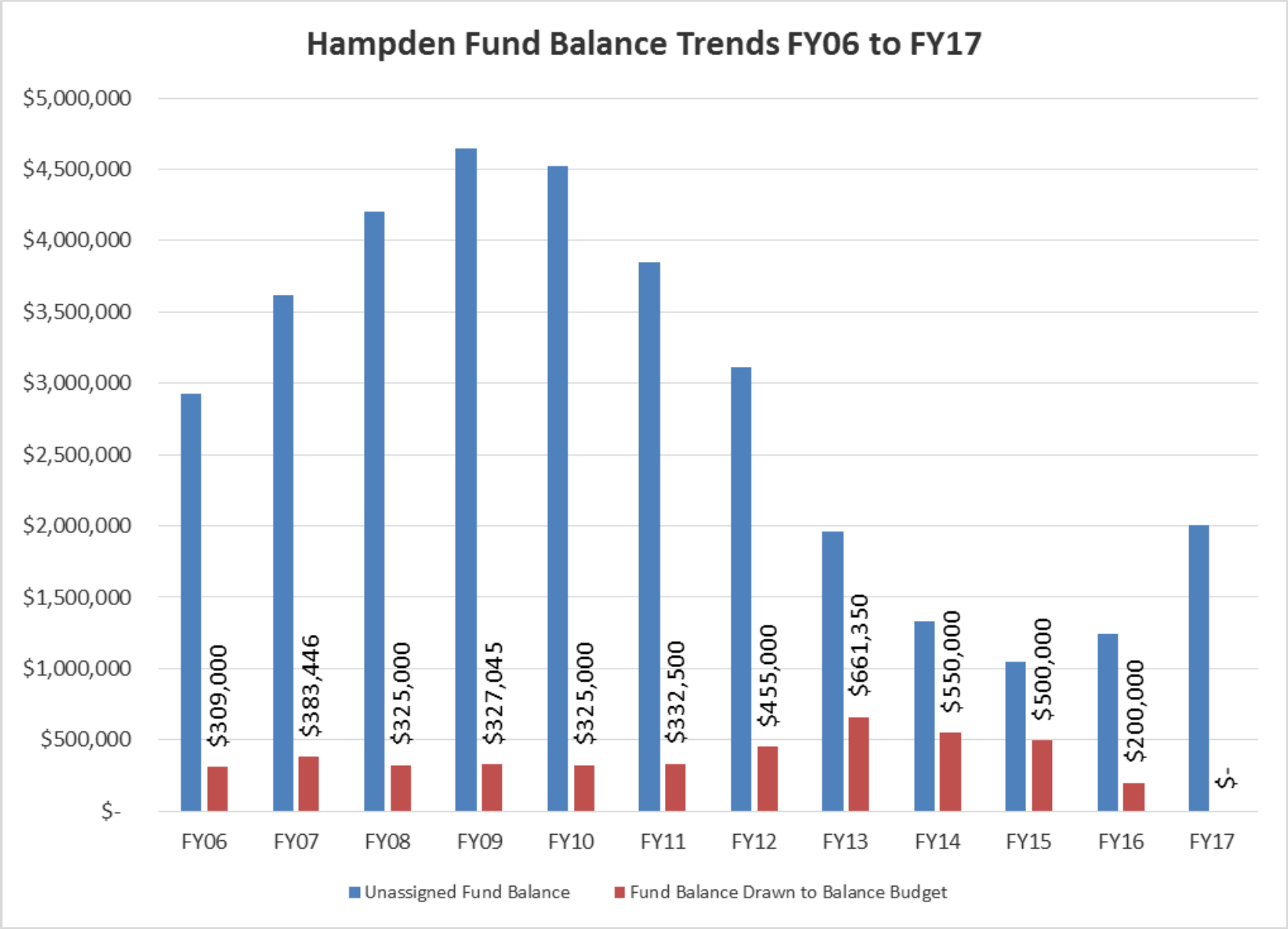
Data sources: Town of Hampden Audits



Note: At year-end FY17, Unassigned Fund Balance reached and exceeded 10-12% percentage recommended by MMA.

Source: Angus Jennings, Town Manager

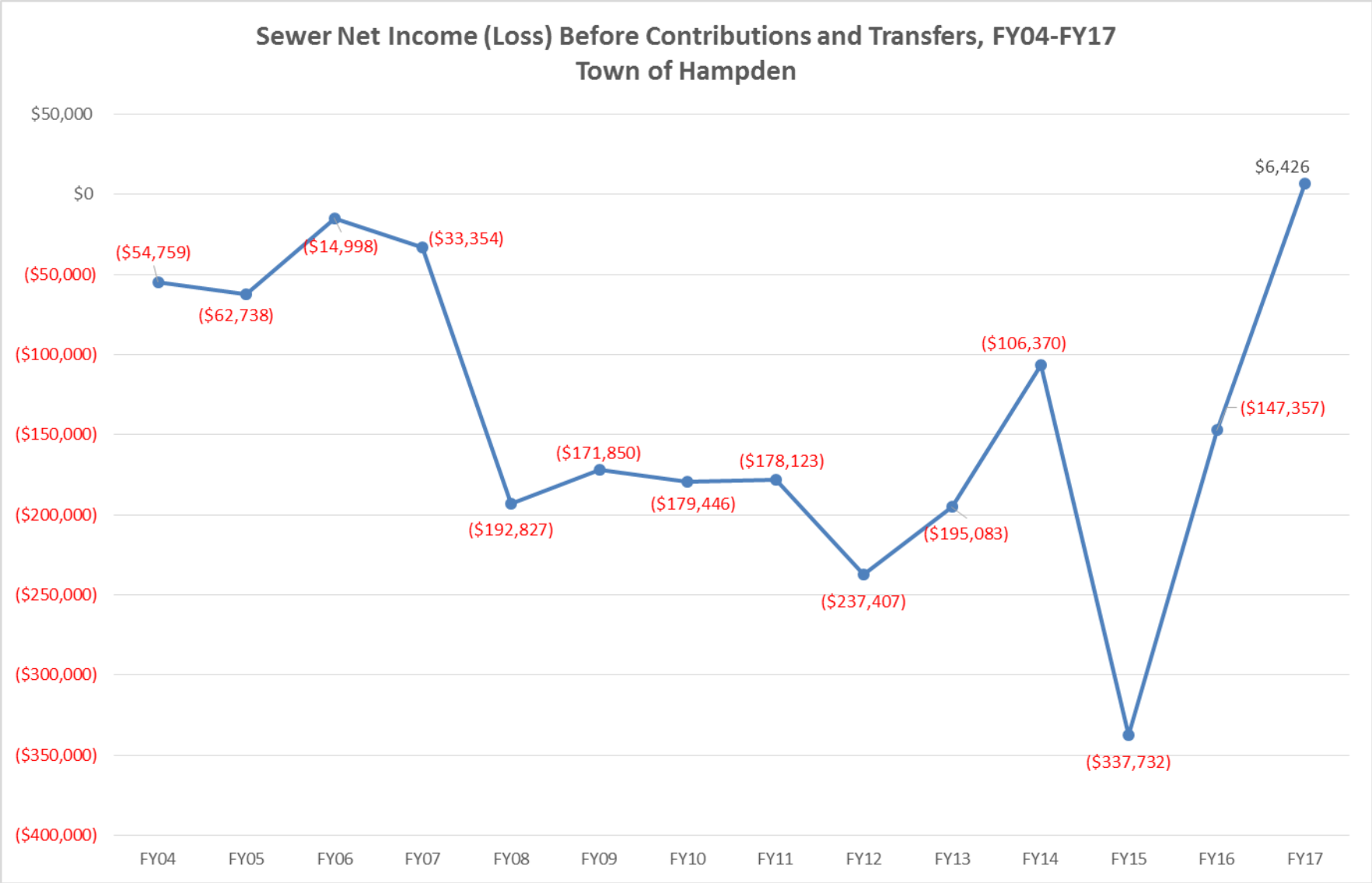
Data sources: Town of Hampden Audits



Note: FY17 budget did not draw from Unassigned Fund Balance. Current-year FY18 budget did draw $300,000 from Unassigned Fund Balance.

Source: Angus Jennings, Town Manager

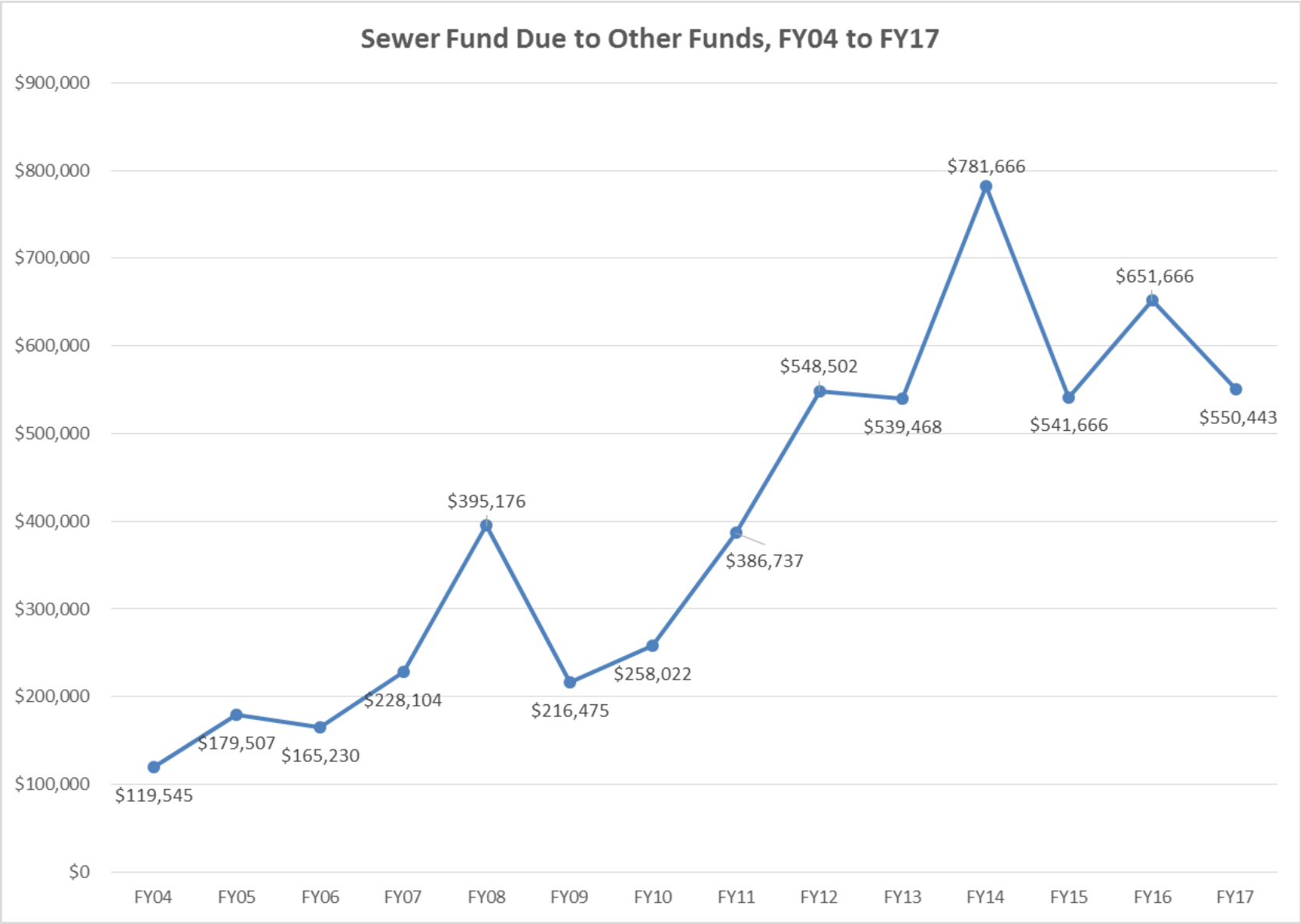
Data sources: Town of Hampden Audits



Note: FY17 was the first year since at least FY04 that the Sewer Fund posted a Net Operating Income.

Source: Angus Jennings, Town Manager

Data sources: Town of Hampden Audits



Note: On Feb. 28, 2018, a payment of $100,000 from Sewer Fund to General Fund reduced the interfund deficit to approximately $451,570.

Source: Angus Jennings, Town Manager

Data sources: Town of Hampden Audits

TOWN OF HAMPDEN, MAINE

FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORTS

FOR THE FISCAL YEAR
ENDED JUNE 30, 2017

TOWN OF HAMPDEN
FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULES
FOR THE YEAR ENDED JUNE 30, 2017

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James W. Wadman

CERTIFIED PUBLIC ACCOUNTANT

James W. Wadman, C.P.A.
Ronald C. Bean, C.P.A.
Kellie M. Bowden, C.P.A.
Wanese L. Lynch, C.P.A.
Amy E. Atherton, C.P.A.

INDEPENDENT AUDITOR'S REPORT

March 27, 2018

Members of the Town Council
Town of Hampden
Hampden, ME

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 Hampden, Maine (the Town) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including 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 audit opinions.

TEL.(207)667-6500
FAX.(207)667-3636

295 MAIN STREET
P.O. BOX 889
ELLSWORTH, MAINE 04605

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 Hampden, Maine as of June 30, 2017, and the respective changes in financial position and where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and pension disclosure schedules on pages 3-8, 41-43, 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.

Supplementary Information

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

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

Respectfully Submitted,

James W. Wadman, CPA

James W. Wadman, CPA

TOWN OF HAMPDEN, MAINE
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017

Management of the Town of Hampden, Maine provides this *Management's Discussion and Analysis* of the Town's financial performance for readers of the Town's financial statements. This narrative overview and analysis of the financial activities of the Town is for the fiscal year ended June 30, 2017. We encourage readers to consider this information in conjunction with the financial statements and accompanying notes that follow.

The financial statements herein include all of the activities of the Town of Hampden, Maine (the Town) using the integrated approach as prescribed by Government Accounting Standards Board (GASB) Statement No. 34.

FINANCIAL HIGHLIGHTS – PRIMARY GOVERNMENT

Government-wide Highlights:

Net Position – The assets of the Town exceeded its liabilities at fiscal year ending June 30, 2017 by $18,574,144 for governmental activities and $3,232,781 for business-type activities (presented as "net position"). Of this amount, $2,744,753 was reported as "unrestricted net position" for governmental activities and ($728,427) for business-type activities. Unrestricted net position represents the amount available to be used to meet the Town's ongoing obligations to citizens and creditors.

Changes in Net Position – The Town's total net position increased by $458,907 (a 2% increase) for the fiscal year ended June 30, 2017. Net position of governmental activities increased by $452,481 (a 2% increase), while net position of business-type activities showed an increase of $6,426 (a .2% increase).

Fund Highlights:

Governmental Funds – Fund Balances – As of the close of the fiscal year ended June 30, 2017; the Town's governmental funds reported a combined ending fund balance of $4,223,649 with $1,498,682 being general unassigned fund balance and $503,523 being host community benefit unassigned fund balance. The general unassigned fund balance represents approximately 10% of the total general fund expenditures for the year.

Long-term Debt:

The Town's total long-term debt obligations decreased by $265,550 (11%) during the current fiscal year. Existing debt obligations were retired according to schedule. Additional information on the Town's long-term debt can be found in Note 3G of the notes to the financial statements on pages 32-33 of this report.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains additional required supplementary information (budgetary comparison) and other supplementary information. These components are described below:

Government-wide Financial Statements

The Government-wide financial statements present the financial picture of the Town from the economic resources measurement focus using the accrual basis of accounting. They present governmental activities and business-type activities separately. These statements include all assets of the Town (including infrastructure) as well as all liabilities (including long-term debt). Additionally, certain elimination entries have occurred as prescribed by the statement in regards to inter-fund activity, payables and receivables. The government-wide financial statements can be found on pages 9-10 of this report.

Fund Financial Statements

The fund financial statements include statements for each of the three categories of activities – governmental, proprietary and fiduciary. The governmental activities are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. The proprietary activities are prepared using the

economic resources measurement focus and the accrual basis of accounting. Fiduciary funds are used to account for resources held for the benefit of parties outside the Town government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the Town's own programs. Reconciliation of the fund financial statements to the Government-wide financial statements is provided to explain the differences created by the integrated approach. The basic governmental fund financial statements can be found on pages 11-14 of this report. The basic proprietary fund financial statements can be found on pages 15-17 of this report. The fiduciary fund financial statements can be found on pages 18-19 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and the fund financial statements. The notes to the financial statements can be found on pages 20-40 of this report.

Required Supplementary Information

This section includes a budgetary comparison schedule, which includes a reconciliation between the statutory fund balance for budgetary purposes and the fund balance for the general fund as presented in the governmental fund financial statements (if necessary). Required supplementary information can be found on page 41-43 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position

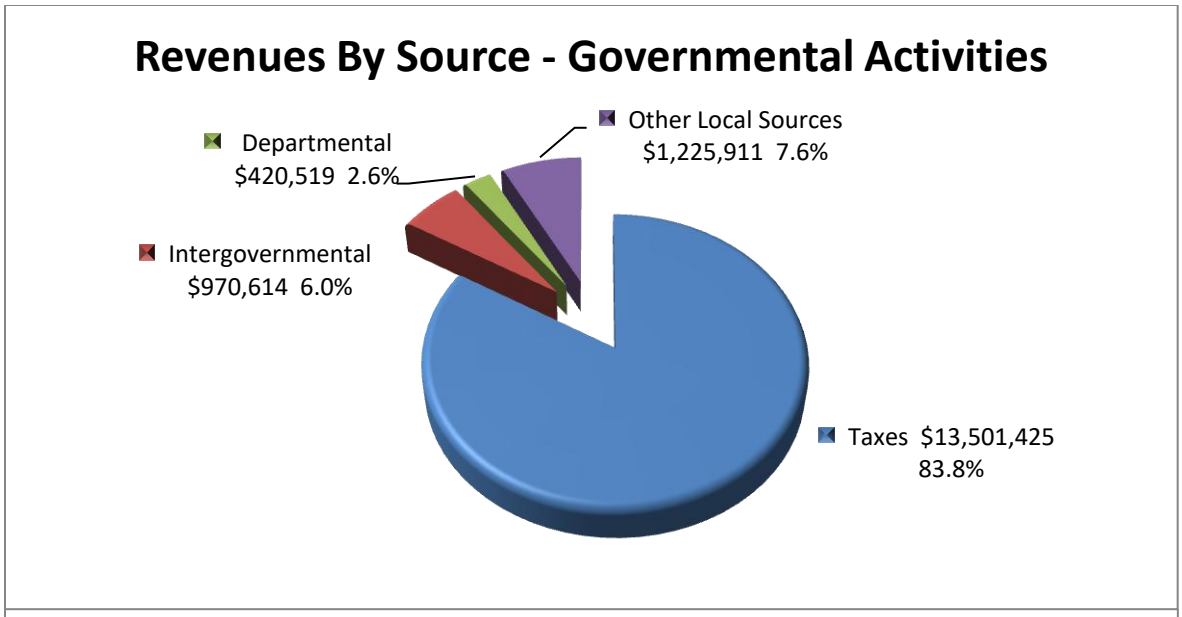
87% of the Town's net position reflects its investment in capital assets such as land, buildings, equipment and infrastructure (roads, bridges and other immovable assets); less any related debt used to acquire those assets that are still outstanding. The Town uses these assets to provide services to citizens; consequently, these assets are not available for future spending. Although, the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

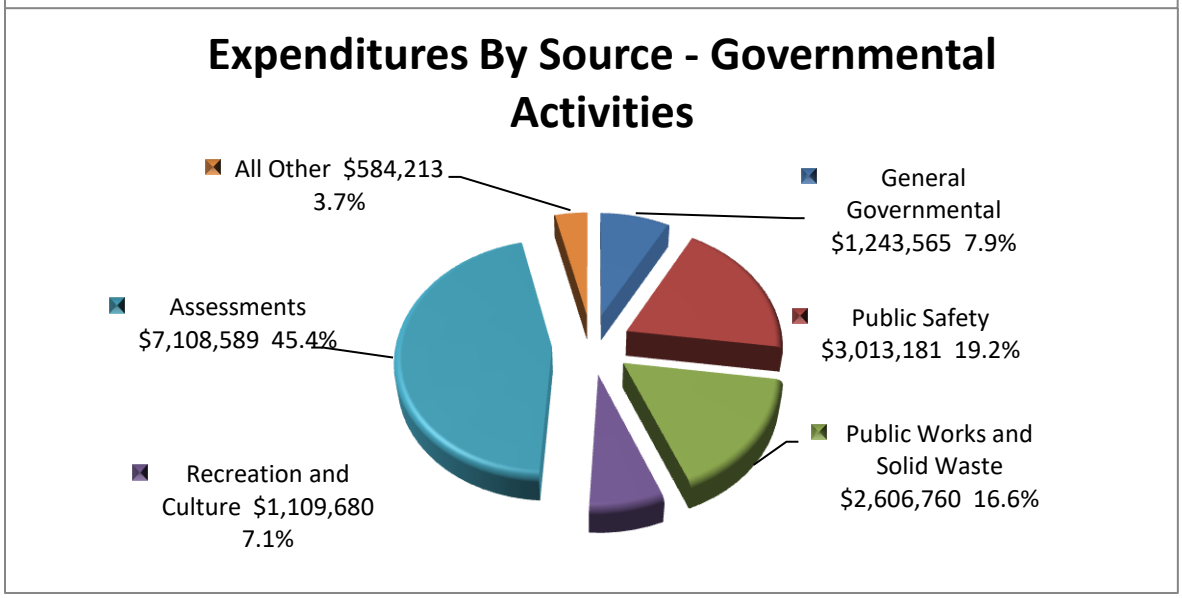
	Governmental Activities	**Business-like Activities**	**Total 2017**	**Total 2016**
Current Assets	4,868,779	(384,561)	4,484,218	3,091,702
Capital Assets	17,590,735	7,048,455	24,639,190	25,755,511
Total Assets	22,459,514	6,663,894	29,123,408	28,847,213
Total Deferred Outflows of Resources	543,387		543,387	483,103
Total Assets and Deferred Outflows of Resources	**23,002,901**	**6,663,894**	**29,666,795**	**29,330,316**
Current Liabilities	1,003,189	435,015	1,438,204	1,683,110
Other Liabilities	2,934,685	2,996,098	5,930,783	5,758,940
Total Liabilities	3,937,874	3,431,113	7,368,987	7,442,050
Total Deferred Inflows of Resources	490,883		490,883	540,248
Net Position:				
Net Investment in Capital Assets	15,318,821	3,661,251	18,980,072	20,201,111
Restricted	510,570	299,957	810,527	817,853
Unrestricted	2,744,753	(728,427)	2,016,326	329,054
Total Net Position	18,574,144	3,232,781	21,806,925	21,348,018
Total Liabilities and Net Position	**23,002,901**	**6,663,894**	**29,666,795**	**29,330,316**

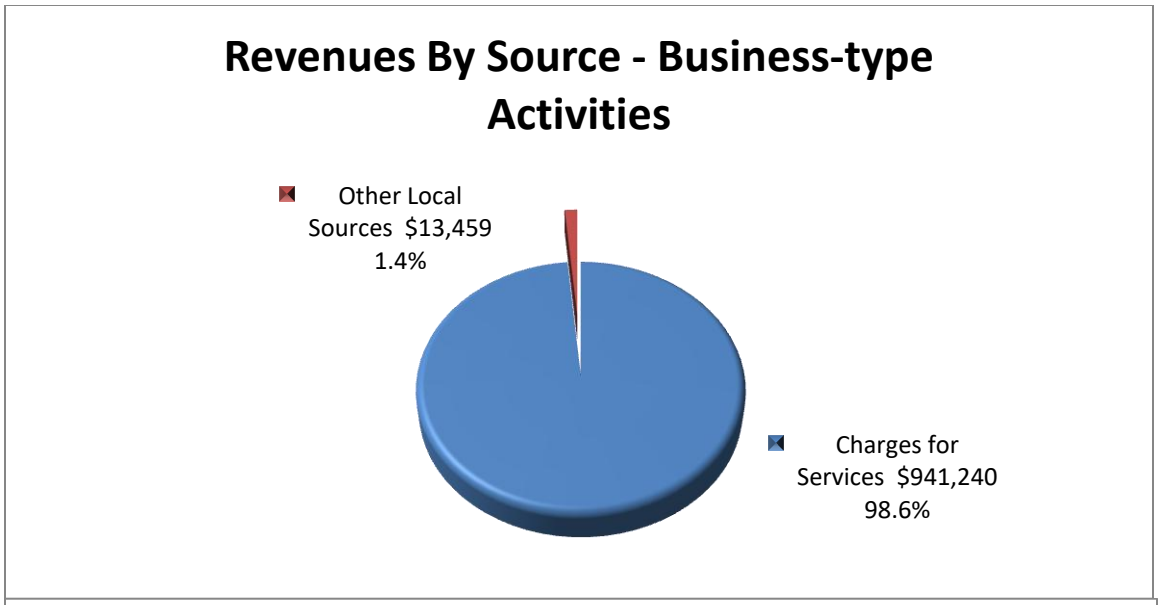
Changes in Net Position

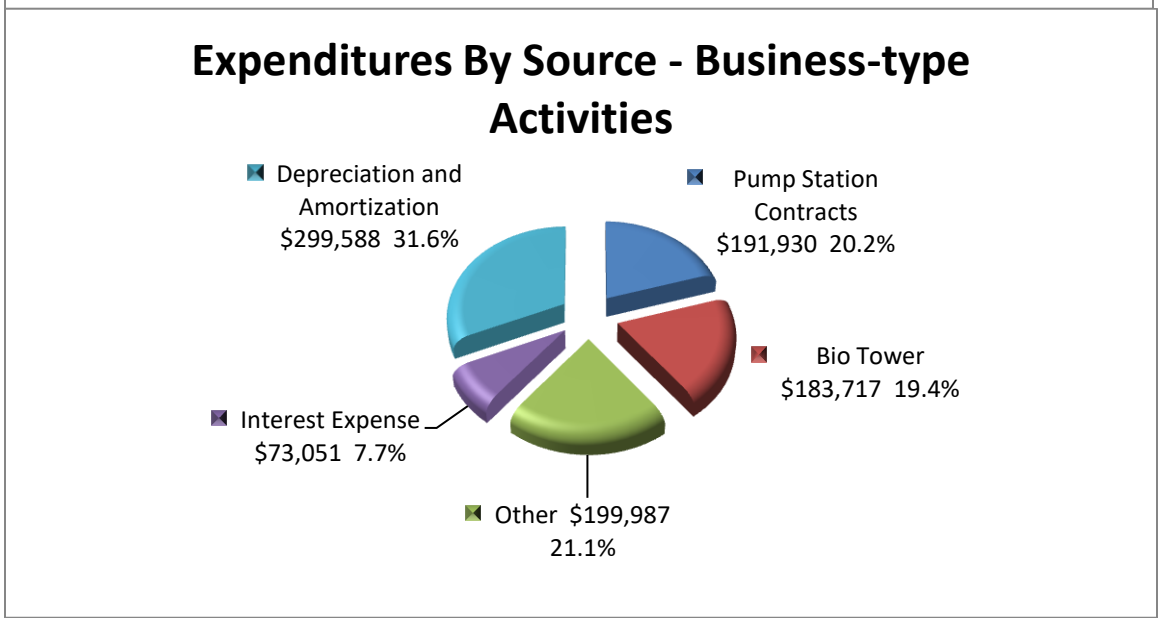
Approximately 79 percent of the Town's total revenue came from property and excise taxes, approximately 6 percent came from State subsidies and grants, and approximately 15 percent came from services, investment earnings and other sources. Depreciation expense on the Town's governmental and business-like activity assets represents $1,667,722 of the total expenses for the fiscal year.

	Governmental Activities	Business-like Activities	Total 2017	Total 2016
Revenues:				
Taxes	13,501,425		13,501,425	12,815,444
Intergovernmental Revenues	970,614		970,614	887,896
Departmental Revenues	420,519	941,240	1,361,759	955,699
Investment Income	22,910	12,201	35,111	22,586
Fair Value Increase (Decrease)	31,295	(160)	31,135	(7,514)
Other Local Sources	1,171,706	1,418	1,173,124	869,984
Total	16,118,469	954,699	17,073,168	15,544,095
Expenses:				
General Government	1,243,565		1,243,565	1,218,582
Public Safety	3,013,181		3,013,181	2,722,449
Public Works	2,240,298		2,240,298	2,242,227
Solid Waste	366,462		366,462	414,755
Recreation and Culture	1,109,680		1,109,680	1,104,509
The Bus	83,496		83,496	90,991
Buildings and Grounds	182,797		182,797	83,276
Outside Agencies & Gen. Asst.	4,457		4,457	488
Debt Service & Capital Outlay	155,035		155,035	114,895
Assessments and TIF	7,267,017		7,267,017	7,110,850
Sewer Enterprise		948,273	948,273	700,345
Total	15,665,988	948,273	16,614,261	15,803,367
Changes in Net Position	452,481	6,426	458,907	(259,272)


Revenues By Source - Governmental Activities
Other Local Sources $1,225,911 7.6%
Departmental $420,519 2.6%
Intergovernmental $970,614 6.0%
Taxes $13,501,425 83.8%


Expenditures By Source - Governmental Activities
All Other $584,213 3.7%
General Governmental $1,243,565 7.9%
Assessments $7,108,589 45.4%
Public Safety $3,013,181 19.2%
Public Works and Solid Waste $2,606,760 16.6%
Recreation and Culture $1,109,680 7.1%





FINANCIAL ANALYSIS OF THE TOWN'S INDIVIDUAL FUNDS

Governmental Funds

The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the fiscal year, the Town's governmental funds reported ending fund balances of $4,223,649, an increase of $1,206,469 in comparison with the prior year. Approximately 47 percent of this total amount constitutes unassigned fund balance. The remainder is reserved to indicate that it is not available for spending because it has been committed to liquidate contracts and commitments of the prior fiscal year or for a variety of other purposes.

Proprietary Funds
The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

GENERAL FUND BUDGETARY HIGHLIGHTS

Variances between actual General Fund revenues and expenditures and the final amended budget included the following:

- $234,933 positive variance in auto excise. The variance is due to conservative budgeting.
- $20,533 positive variance in planning/zoning fees. The variance is due to partial reconciliation of developer escrow account balance.
- $16,263 negative variance in PERC revenues. The variance is due to projected revenue of $65,000 was reduced from FY 15 budgeted revenue ($85,000) based on FY 16 revenue of $61,130 and FY 15 revenue of $71,842.
- $29.622 negative variance in fire department. Wages, retirement expenses and health insurance were above budget. Wages and retirement overages were due to wage budgeting based on 40 hour work-week instead of actual 42 hour work week (manager error). Health insurance overage was due to budgeting lower cost increase than actual.
- $351,591 positive variance in public works department. Wages, FICA, worker's comp, health insurance, and fuel were under budget. Wage and related expenses were lower due to conservative budgeting and lower staffing part of year due to worker (non-workplace) injury and reduced hours. We contracted for a lower fuel price in FY 17'. Paving expenses shown to be under budget because repaving contract awarded late in FY 17' so balance was carried forward and paid in FY 18'.
- $45,051 negative variance in solid waste. Wages, health insurance, and solid waste disposal costs were over budget. Wages were over budget because overtime for plow drivers was paid form this account instead of from highway/DPW wages; change from prior years due to management personnel changes (DPW Director, Town Manager). Health insurance was over due to budgeting lower cost increase than actual.
- $105,905 positive variance in overlay. The variance is due to conservative budgeting.

CAPITAL ASSET ADMINISTRATION

Capital Assets
The Town's investment in capital assets for its governmental and business-like activities amounts to $56,505,415, net of accumulated depreciation of $31,866,225 leaving a net book value of $24,639,190. Current year additions include $9,986 public works lighting, $6,180 John Deere aerator, $27,053 for a police vehicle, $17,196 for extrication equipment, $170,500 for a public works truck, $12,858 for a flail mower, $142,308 for a public works front loader, $143,176 for 2016 paving, $28,024 storm drain slip lining, $26,495 for storm drain, and $13,132 sewer pump and cam.

Additional information on the Town's capital assets can be found in Note 3D of the notes to the financial statements on pages 29-30 of this report.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town's finances for all citizens, taxpayers, investors and creditors. This financial report seeks to demonstrate the Town's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Town of Hampden, 106 Western Ave., Hampden, ME 04444.

TOWN OF HAMPDEN ***Exhibit A***

STATEMENT OF NET POSITION

JUNE 30, 2017

Assets	***Governmental Activities***	***Business-Type Activities***	***Total***
Cash and Equivalents	2,858,671	106,209	2,964,880
Investments	753,613	8,092	761,705
Receivables			
Taxes	321,248		321,248
Liens	81,227		81,227
Sewer User Fees/Liens		51,581	51,581
Solid Waste	14,480		14,480
Ambulance	181,403		181,403
Other	107,694		107,694
Internal Balances	550,443	(550,443)	-
Capital Assets:			
Land	1,656,858		1,656,858
Other Capital Assets, Net of Depreciation	15,933,877	7,048,455	22,982,332
Total Assets	22,459,514	6,663,894	29,123,408
Deferred Outflows of Resources:			
Related to Pensions	543,387		543,387
Total Deferred Outflow of Resources	543,387	-	543,387
Total Assets and Deferred Outflows of Resources	**23,002,901**	**6,663,894**	**29,666,795**
Liabilities			
Accounts Payable and TIF Payable	169,216	43,909	213,125
Accrued Salaries Payable	66,739		66,739
Accrued Interest Payable		14,541	14,541
Project Escrows	89,365		89,365
Due to Other Governments	26,837		26,837
Compensated Absences Payable	334,917		334,917
Long-term Liabilities:			
Net Pension Liability	978,886		978,886
Due Within One Year	316,115	376,565	692,680
Due in More Than One Year	1,955,799	2,996,098	4,951,897
Total Liabilities	3,937,874	3,431,113	7,368,987
Deferred Inflows of Resources:			
Property Taxes Collected in Advance	12,531		12,531
Related to Pensions	478,352		478,352
Total Deferred Inflows of Resources	490,883	-	490,883
Net Position			
Net Investment in Capital Assets	15,318,821	3,661,251	18,980,072
Restricted	510,570	299,957	810,527
Unrestricted	2,744,753	(728,427)	2,016,326
Total Net Position	18,574,144	3,232,781	21,806,925
Total Liabilities, Deferred Inflows of Resources, and Net Position	**23,002,901**	**6,663,894**	**29,666,795**

The notes to financial statements are an integral part of this statement.

TOWN OF HAMPDEN
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

Exhibit B

		Program Revenues		Net (Expense) Revenue and Changes in Net Position		
Functions/Programs		***Fees, Fines, and Charges for***	***Operating***	***Governmental***	***Business-like***	
Primary Government	***Expenses***	***Services***	***Grants***	***Activities***	***Activities***	***Total***
Governmental Activities						
General Government	1,243,565	91,173		(1,152,392)		(1,152,392)
Public Safety	3,013,181	213,094	161,411	(2,638,676)		(2,638,676)
Public Works	2,240,298	7,432		(2,232,866)		(2,232,866)
Solid Waste	366,462	40,932		(325,530)		(325,530)
Recreation and Culture	1,109,680	615,986		(493,694)		(493,694)
The Bus	83,496			(83,496)		(83,496)
Buildings and Grounds	182,797			(182,797)		(182,797)
General Assistance	4,457		2,932	(1,525)		(1,525)
Debt Service & Capital Outlay	155,035			(155,035)		(155,035)
RSU #22 Assessment	6,308,862			(6,308,862)		(6,308,862)
Assessments and TIF	958,155			(958,155)		(958,155)
Total Governmental Activities	15,665,988	968,617	164,343	(14,533,028)		(14,533,028)
Business-type Activities						
Sewer Department	948,273	941,240			(7,033)	(7,033)
Total Business-type Activities	948,273	941,240	-		(7,033)	(7,033)
Total Primary Government	16,614,261	1,909,857	164,343	(14,533,028)	(7,033)	(14,540,061)
General Revenues:						
Taxes						
Property				11,475,015		11,475,015
Auto				2,014,933		2,014,933
Boat				11,477		11,477
Intergovernmental Revenues				806,271		806,271
Departmental Revenues				60,769		60,769
Investment Income				22,910	12,201	35,111
Fair Value Increases/(Decreases)				31,295	(160)	31,135
Other Local Sources				562,839	1,418	564,257
Total Revenues, Special Items and Transfers				14,985,509	13,459	14,998,968
Changes in Net Position				452,481	6,426	458,907
Net Position - Beginning				18,121,663	3,226,355	21,348,018
Net Position - Ending				18,574,144	3,232,781	21,806,925

The notes to financial statements are an integral part of this statement.

TOWN OF HAMPDEN *Exhibit C*
BALANCE SHEET - GOVERNMENTAL FUNDS *Page 1 of 2*
JUNE 30, 2017

Assets	*General Fund*	*Other Governmental Funds*	*Total*
Cash and Equivalents	2,450,387	408,284	2,858,671
Investments	198,880	554,733	753,613
Receivables			
Taxes	321,248		321,248
Liens	81,227		81,227
Solid Waste	14,480		14,480
Ambulance	181,403		181,403
Other	107,694		107,694
Due from Other Funds	551,363	200,445	751,808
Total Assets	**3,906,682**	**1,163,462**	**5,070,144**
Liabilities			
Accounts Payable	89,689	1,694	91,383
TIF Payable	77,833		77,833
Accrued Salaries Payable	66,739		66,739
Project Escrows	89,365		89,365
Due to Other Funds	193,749	7,616	201,365
Due to Other Governments	26,837		26,837
Total Liabilities	544,212	9,310	553,522
Deferred Inflows of Resources:			
Property Taxes Collected in Advance	12,531		12,531
Advanced Recreation Summer Fees	41,952		41,952
Unavailable Property Tax Revenue	238,490		238,490
Total Deferred Inflows of Resources	292,973	-	292,973
Fund Balances			
Nonspendable		314,360	314,360
Restricted	155,344	40,866	196,210
Committed	733,008	626,402	1,359,410
Assigned	178,940	173,492	352,432
Unassigned	2,002,205	(968)	2,001,237
Total Fund Balances	3,069,497	1,154,152	4,223,649
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**3,906,682**	**1,163,462**	**5,070,144**

The notes to financial statements are an integral part of this statement.

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total Fund Balance	4,223,649
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds, net of accumulated depreciation of $25,489,325	17,590,735
Deferred outflows of resources related to pension plans	543,387
Deferred inflows of resources related to pension plans	(478,352)
Certain long-term assets are not available to pay for current fund liabilities and, therefore, are deferred in the funds:	
Net Pension Liability	(978,886)
Advanced Recreation Summer Fees	41,952
Unavailable Property Tax Revenue	238,490
Certain long-term liabilities are not due and payable from current financial resources and, therefore, are not reported in the funds:	
Bonds Payable	(2,059,000)
Leases Payable	(212,914)
Accrued Compensated Absences	(334,917)
Net Position of Governmental Activities	18,574,144

The notes to financial statements are an integral part of this statement.

TOWN OF HAMPDEN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	General Fund	*Other Governmental Funds*	*Total Governmental Funds*
Revenues			
Taxes	13,468,411		13,468,411
Intergovernmental Revenues	952,789	17,825	970,614
Departmental Revenues	420,519		420,519
Investment Income	13,016	9,894	22,910
Fair Value Increases (Decreases)	28,161	3,134	31,295
Other Local Sources	1,155,725	33,839	1,189,564
Total Revenues	16,038,621	64,692	16,103,313
Expenditures			
Current:			
General Government	1,202,091	2,009	1,204,100
Public Safety	2,804,570	21,657	2,826,227
Public Works	1,242,047		1,242,047
Solid Waste	405,079		405,079
Recreation and Culture	1,016,277	42,437	1,058,714
The Bus	83,496		83,496
Buildings and Grounds	182,546		182,546
General Assistance	4,457		4,457
TIF	158,428		158,428
Assessments	7,108,589		7,108,589
Debt Service	339,973		339,973
Capital Outlay		283,188	283,188
Total Expenditures	14,547,553	349,291	14,896,844
Excess of Revenues Over (Under) Expenditures	1,491,068	(284,599)	1,206,469
Other Financing Sources (Uses)			
Transfers from Other Funds	5,000	437,964	442,964
Transfers to Other Funds	(433,964)	(9,000)	(442,964)
Total Other Financing Sources (Uses)	(428,964)	428,964	-
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	1,062,104	144,365	1,206,469
Fund Balance - July 1	2,007,393	1,009,787	3,017,180
Fund Balance - June 30	**3,069,497**	**1,154,152**	**4,223,649**

(Continued)

The notes to financial statements are an integral part of this statement.

TOWN OF HAMPDEN
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, 2017

Net change in fund balances - total governmental funds	1,206,469
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:	
Capital asset purchases capitalized	583,777
Capital asset disposals	(45,508)
Depreciation expense	(1,368,134)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:	
Unavailable Property Taxes	33,014
Advanced Recreation Summer Fees	(17,858)
Bond proceeds proved current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position:	
Lease principal payments	115,535
New Lease	(267,320)
General obligation bond principal payments	265,550
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:	
Deferred Outflows of Pension Expense	60,284
Deferred Inflows of Pension Expense	47,342
Net Pension Liability	(143,985)
Accrued compensated absences	(16,685)
Change in net position of governmental activities	452,481

The notes to financial statements are an integral part of this statement.

TOWN OF HAMPDEN ***Exhibit E***

STATEMENT OF NET POSITION - PROPRIETARY FUND

JUNE 30, 2017

	Sewer Enterprise
Assets	
Current Assets:	
Cash and Equivalents	106,209
Investments	8,092
User Fees/Liens Receivable	51,581
Capital Assets:	
Other Capital Assets, Net of Depreciation	7,048,455
Total Assets	**7,214,337**
Liabilities	
Current Liabilities:	
Accounts Payable	43,909
Accrued Interest Payable	14,541
Retainage Payable	
Due to Other Funds	550,443
Long-term Liabilities:	
Due Within One Year	376,565
Due in More Than One Year	2,996,098
Total Liabilities	3,981,556
Net Position	
Net Investment in Capital Assets	3,661,251
Restricted	299,957
Unrestricted	(728,427)
Total Net Position	3,232,781
Total Liabilities and Net Position	**7,214,337**

The notes to financial statements are an integral part of this statement.

TOWN OF HAMPDEN ***Exhibit F***

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN PROPRIETARY NET POSITION

PROPRIETARY FUND

FOR THE YEAR ENDED JUNE 30, 2017

	Budget	***Sewer Enterprise***	***Variance Favorable (Unfavorable)***
Operating Revenues:			
Charges for Services	943,845	941,240	(2,605)
Total Operating Revenues:	943,845	941,240	(2,605)
Operating Expenses:			
Repairs	52,000	44,209	7,791
Utilities/Fuel	43,000	35,927	7,073
Pump Station Contracts	43,878	54,451	(10,573)
Treatment Service Charges	262,494	137,479	125,015
Special Projects	15,500	13,166	2,334
O&M Contingency		3,391	(3,391)
Liens/Transfers	5,600	7,948	(2,348)
Abatements		4,377	(4,377)
Wages	60,000	60,000	-
Supplies	18,400	26,043	(7,643)
Legal Fees		4,926	(4,926)
Bio Tower - City of Bangor		183,717	(183,717)
Depreciation and Amortization		299,588	(299,588)
Total Operating Expenses	500,872	875,222	(374,350)
Net Operating Income (Loss)	442,973	66,018	(376,955)
Non-operating Revenues (Expenses)			
Interest Revenue	12,015	12,201	186
Change in Fair Market Value		(160)	(160)
Miscellaneous Income		1,418	1,418
Interest Expense	(381,465)	(73,051)	308,414
Total Non-operating Revenues (Expenses)	(369,450)	(59,592)	309,858
Net Income (Loss)	73,523	6,426	(67,097)
Total Net Position - Beginning		3,226,355	
Total Net Position - Ending		**3,232,781**	

The notes to financial statements are an integral part of this statement.

TOWN OF HAMPDEN ***Exhibit G***

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2017

	Sewer Enterprise
Cash Flows from Operating Activities;	
Received from Customers	941,240
Payments to Suppliers	(503,309)
Payments to Employees	(60,000)
Other Receipts (Payments)	(429,717)
Net Cash Provided by (Used in) Operating Activities	(51,786)
Cash Flows from Capital and Related Financing Activities	
Purchases of Capital Assets	(13,132)
New Capital Debt	521,746
Principal Paid on Capital Debt	(325,307)
Interest Paid on Capital Debt	(73,051)
Net Cash Used in Capital and Related Financing Activities	110,256
Cash Flows from Investing Activities	
Net Purchases / Sales of Investments	6,737
Interest and Dividends	12,201
Net Cash Provided by (Used in) Investing Activities	18,938
Net Increase (Decrease) in Cash and Cash Equivalents	77,408
Balances - beginning of the year	28,801
Balances - end of the year	106,209
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:	
Operating Income (Loss)	66,018
Adjustment to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:	
Depreciation	299,588
Changes in Assets and Liabilities;	
Receivables, net	(22,370)
Accounts Payable	(286,345)
Accrued Interest	(7,504)
Due to Other Funds	(101,173)
Net Cash Provided by (Used in) Operating Activities	(51,786)

The notes to financial statements is an integral part of this statement.

TOWN OF HAMPDEN ***Exhibit H***

STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS

JUNE 30, 2017

	Private Purpose Trust Fund
	Environmental Trust
Assets	
Cash and Equivalents	81,855
Investments	3,639,800
Total Assets	3,721,655
Net Position	
Restricted	3,721,655
Total Net Position	3,721,655

The notes to financial statements are an integral part of this statement.

TOWN OF HAMPDEN ***Exhibit I***

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FIDUCIARY NET POSITION

FOR THE YEAR ENDED JUNE 30, 2017

	Private Purpose Trust Fund
	Environmental Trust
Additions	
Fair Value Increases (Decreases)	(113,946)
Investment Income	78,005
Other Local Sources	
Total Additions	(35,941)
Deductions	
Reimbursements	414,648
Professional Fees	8,152
Total Reductions	422,800
Change in Net Position	(458,741)
Net Position - July 1	4,180,396
Net Position - June 30	**3,721,655**

The notes to financial statements are an integral part of this statement.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Hampden have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Council (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

A. Financial Reporting Entity

The Town of Hampden operates under an elected Town Council and Town Manager form of government. The Town's major operations include public works, public safety and general administrative services.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the activities of the Town. Fiduciary activities, whose resources are not available to finance the Town's programs, are excluded from the government-wide statements. The material effect of interfund activity has been removed from these statements. *Governmental activities,* which normally are supported by taxes and various 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 segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Functional expenses may also include an element of indirect cost, designed to recover administrative (overhead) costs. *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 instead 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 the major individual enterprise fund are reported as separate columns in the respective fund financial statements.

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

The government-wide financial statements are reported using the *total economic resources measurement focus* and the *accrual basis of accounting,* as are the proprietary fund and trust fund financial statements. Revenues are recognized when transactions occur 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 have been met. Agency funds, reporting only assets and liabilities, have no measurement focus but use the accrual basis of accounting.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when 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 Town 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, including interest on long-term debt, as well as expenditure related to compensated absences and claims and judgments are recorded only when payment is due.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Property taxes, sales taxes, interdepartmental charges and intergovernmental revenues are considered susceptible to accrual. Special assessments are recorded as revenues in the year the assessment become current. Annual installments not yet due are reflected as special assessment receivables and deferred revenues. Other revenue items are considered to be measurable and available only when cash is received by the Town.

The Town reports the following major governmental funds:

The General Fund is used to account for all or most of the Town's general activities, including the collection and disbursement of earmarked monies (special revenue funds) and the servicing of general long-term debt (debt service fund). The General Fund is used to account for all activities of the general government not accounted in some other fund.

The Town reports the following major enterprise fund:
The sewer fund accounts for the activities of the sewerage operations. The Town operates the sewer collection system and related administrative costs.

Additionally, the Town reports the following fund types:
Nonexpendable trust funds account for monies held in trust by the Town, the investment earnings from which may only be used for the operation of the program.

Fiduciary funds are used to account for assets held in a trustee or agency capacity for others and therefore cannot be used to support the Town's own programs.

The effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and charges between the business-type functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

In the Statement of Activities, amounts reported as program revenue include 1) charges to customers or applicants for goods, services, fines and forfeitures, 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 nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and of the government's internal service funds are charges to customers for goods and services. Operating expenses include the cost of sales and service, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Net Position or Fund Equity

1. Deposits and Investments

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. These investments are not specifically identified with any one fund. Interest is allocated to the individual funds on the basis of average cash balances.

The Town may invest in certificates of deposit, in time deposits, and in any securities in which the state investment officer is authorized to invest pursuant to the Maine Statute 5705 Title 30-A and as provided in the authorized investment guidelines of the Maine Statutes 5711 through 5719 in effect on the date the investment is made.

Investments in the Pension Trust Fund are carried at fair value. Investments in other funds are carried at fair value, except for short-term investments, which are reported at amortized cost, which approximates fair value. Securities traded on a national exchange are valued at the last reported sales price. Investments that do not have an established market are reported at estimated fair value, based on relevant market information of similar financial instruments. Income from investments held by the individual funds is recorded in the respective funds as it is earned.

2. Receivables and Payables

Transactions between funds that result in outstanding balances are reported as due to/from other funds.

Property taxes receivable not expected to be collected within 60 days from year-end are classified as unavailable property tax revenue. At June 30, $238,490 has been so classified and reported on the general fund balance sheet.

Property taxes were levied on August 20 on property values assessed on April 1. Taxes were due in two installments due on October 5 and April 5, with interest at 7% beginning October 6 and April 6. Tax liens are placed on real property within 12 months following the tax commitment date if taxes remain delinquent. Liens were placed on the 2015 fiscal year levy on August 24, 2016. The Town has the authority to foreclose on property eighteen months after the filing of the liens if the lien amount and associated costs remain unpaid.

Certain grants received from other governments require that eligible expenditures be made in order to earn the grant. Revenue for these grants is recorded for the period in which eligible expenditures are made.

3. Inventories

Inventories are valued at cost using the first in, first out method.

4. Capital Assets

Capital assets, which property, plant, equipment, and infrastructure (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 $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Net Position or Fund Equity (continued)

4. Capital Assets (continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the asset constructed.

Capital assets are depreciated using the straight line method over the following estimated useful lives:

Assets	*Years*
Buildings	50
Infrastructure	18-50
Equipment	5-50

5. Deferred Inflows/Outflows of Resources

In addition to assets and liabilities, the statement of net position and the governmental fund balance sheet will report a separate section for deferred outflows and/or inflows of resources. Deferred outflows of resources represent consumption of net position that applies to a future period(s) and therefore will not be recognized as an expense/expenditure until then. Deferred inflows of resources represent an acquisition of net position that applies to future period(s) and therefore will not be recognized as revenue until that time. The Town has an item that qualifies as deferred outflows of resources, and it has an item that qualifies as a deferred inflow. Both items are related to pensions. These amounts are considered unavailable and will be recognized as an outflow of resources (expenditure) and an inflow of resources (revenue) in the period that the amounts become available.

6. 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 Employees Retirement System (System) and additions to/deductions from MPERS' fiduciary net position have been determined on the same basis as they are reported by MPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable pursuant to formal commitments or statutory requirements. Investments are reported at fair value. Investment income is recognized when earned and investment expenses are recorded when incurred.

7. Compensated Absences

Town employees generally earn vacation days at a variable rate based on years of service. In the event of termination, an employee is reimbursed for all accumulated vacation time.

Employees earn sick leave at a rate of one work day for each full calendar month of service, accumulative to a maximum of one 120 working days. Upon retirement or resignation, an employee in good standing is entitled to payment for 25% of accrued sick time up to a maximum of 30 days.

In the fund financial statements, vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Vested or accumulated vacation leave in the government-wide financial statements is recorded as an expense and liability of the fund as the benefits accrue to employees. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulated right to receive sick pay benefits.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Net Position or Fund Equity (continued)

8. 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.

Under State Law, no municipality can incur debt, which would cause its total outstanding debt, exclusive of debt incurred for Town, storm or sanitary sewer, energy facilities, or municipal airports, to exceed 7.50% of its last full state valuation. A municipality may incur debt for Towns not exceeding 10%, storm or sanitary sewers 7.50%, and municipal airports, water districts and special purpose districts 3% of its last full state valuation. In no event can the total debt exceed 15% of its last full valuation. Full state valuation is the valuation of taxable property as certified by the State Tax Assessor, adjusted to 100%.

At June 30, the Town of Hampden is in compliance with the above requirements.

9. Fund Balances/Net Position

Fund Balances

In accordance with Government Accounting Standards Board 54, fund balance reporting and governmental fund type definitions, the Town classifies governmental fund balances as follows:

Non-spendable – includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.

Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through town council voting and does not lapse at year-end.

Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance may be assigned by the Town Manager.

Unassigned – includes positive fund balance within the general fund which has not been classified within the above mentioned categories and negative fund balance in other governmental funds.

The Town considers restricted, committed, assigned, and unassigned amounts to be spent in that order when expenditures for which any of those amounts are available.

The Town does not have a formal minimum fund balance policy.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Net Position or Fund Equity (continued)

The Town has identified June 30, 2017 fund balances on the balance sheet as follows:

	General Fund	Other Governmental Funds	Total
Nonspendable			
Dyer Library Principal		257,242	257,242
Cemetery Principal		56,918	56,918
Diane Marshall Book Fund Principal		200	200
Restricted			
Pool Donations		285	285
Public Safety Donation		2,014	2,014
Library		4,569	4,569
Children's Day Raffle		240	240
Lura Hoit Pool Scholarship		33,087	33,087
Maine Community Foundation		12	12
Pink Garden		431	431
Katahdin Trust Partnership		96	96
EVOC Equipment Grant		3	3
Maine Community Heritage Grant		129	129
Municipal Revenue Sharing	155,344		155,344
Committed			
Mayo Road Project		109,881	109,881
Capital Improvement Program		516,521	516,521
Town Reserves	122,250		122,250
Voting Machine	18,492		18,492
Recreation	341,209		341,209
Bronco Youth Football	11,028		11,028
Bronco Travel Basketball	15,655		15,655
Bronco Little League	23,420		23,420
Lura Hoit Pool	200,954		200,954
Assigned			
Dyer Library		140,324	140,324
Cemetery		32,892	32,892
Diane Marshall Book Fund		276	276
Encumbrances	178,940		178,940
Unassigned			
General Fund	1,498,682		1,498,682
Host Community Benefit	503,523		503,523
Flag Project		(580)	(580)
Rescue Equipment		(67)	(67)
Wellness Fund		(321)	(321)
Total Fund Balance	3,069,497	1,154,152	4,223,649

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Net Position or Fund Equity (continued)

9. Fund Balances/Net Position (continued)

Net Position

Net position are required to be classified into three components – net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

Net Investment in capital assets – This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets. If there are significant unspent related debt proceeds at year-end, the portions of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets.

Restricted – This component of net position consists of restrictions placed on net position use through external constraints imposed by creditors (such as debt covenants), grantors, contributors, or law or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted – This component consists of net position that does not meet the definition of "restricted" or "net investment in capital assets."

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with various legal requirements that govern the Town's operations. At its annual meeting, the Town adopts a budget for the current year for the General Fund. Budgets are adopted on a basis consistent with generally accepted accounting principles.

Management may transfer appropriations between operating categories as they deem necessary, but expenditures may not legally exceed budgeted appropriations in total. All annual appropriations lapse at fiscal year end to the extent that they have not been encumbered.

State statutes require balanced budgets, but provide for the use of beginning unreserved fund balance to achieve that end. In 2016-2017, $0 of the beginning General Fund fund balance was applied for this purpose.

Reserve funds, once established by the Town Council, may be expended with approval of the Council for the purpose for which the reserve was established.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments are carried forward to supplement appropriations of the subsequent year.

NOTE 3 - DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS

A. Deposits

Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. The Town's deposit policy for custodial credit risk requires compliance with the provisions of state law.

State Statute 5706 require banks to give bond or to pledge government securities (types of which are specifically identified in the Statutes) to the Town Treasurer in the amount of the Town's deposits. The Statutes allow pledged securities to be reduced by the amount of Federal Deposit Insurance Corporation (FDIC).

One or more of the financial institutions holding the Town's cash accounts are participating in the FDIC Transaction Account Guarantee Program. For all accounts, the Town's cash deposits, including certificates of deposits, are insured up to $250,000 per custodian by the FDIC. Any cash deposits or certificates of deposits in excess of the $250,000 FDIC limits are covered by collateral held in a Federal Reserve pledge account or by an agent for the Town and thus no custodial risk exists.

At year-end, the carrying value of the Town's deposits was $3,046,735 and the bank balance was $3,340,784. Of the bank balance, $377,476 was covered by federal depository insurance. The remaining $2,963,308 was covered by a FHLB irrevocable letter of credit.

B. Investments

At June 30, 2017, the Town had the following investments, maturities, and credit ratings:

	Fair	*Maturities in Years*				*Credit Rating*	
Type	*Value*	*< 1*	*1-5*	*6-10*	*> 10*	*S&P*	*Moody's*
General Town							
Common Stock	106,583	106,583				BBB-	Ba1
Common Stock	115,374	115,374				AA3	AA-
U.S. Treasury Securities	195,859	36,058	159,801			AA	AA
Mutual Funds	343,889	343,889				NR	NR
	761,705	601,904	159,801	-	-		
Environmental Trust							
Government Securities	3,639,800	666,304	2,603,564	369,932		AAA	AAA
	3,639,800	666,304	2,603,564	369,932	-		

Investment Policies

Generally, the Town's investing activities are managed under the custody of the Town Treasurer. Investing is performed in accordance with the investment policy adopted by the Town Council complying with state statutes. The Town may invest in securities permitted under 30-A MRSA 5712, 5713, 5714, 5715, and 5716. Upon approval of the Town Council, the treasurer of the trustee(s) of a trust fund of the town, may enter into safekeeping and investment management agreements and/or investment advisory agreements in accordance with 30-A MRSA 5706(4) and the investment funds pursuant to any such agreements shall be governed by the rule prudence as set forth in 18-A MRSA 7-302.

NOTE 3 - DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

C. Property Taxes

Property taxes were levied for the fiscal year as follows:

Assessed Value		628,065,400
Tax Rate (per $1,000)		18.20
Commitment		11,430,790
Appropriations		14,948,801
Less:		
State Municipal Revenue Sharing	377,135	
Estimated Revenues	2,812,698	
BETE Reimbursement	80,321	
Homestead Reimbursement	247,857	
		3,518,011
Net Assessment for Commitment		11,430,790

Uncollected taxes at June 30 for the current year commitment totaled $277,603. Unpaid liens at June 30 totaled $81,227.

NOTE 3 - DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

D. Capital Assets

Capital asset activity for the year ended June 30, 2017 was as follows:

	Beginning Balance	***Increases***	***Decreases***	***Ending Balance***
Governmental Activities;				
Capital assets not being depreciated				
Land	1,656,858			1,656,858
Capital assets being depreciated				
Buildings	6,018,493	9,986		6,028,479
Equipment	3,831,909	376,096	(127,000)	4,081,005
Infrastructure	31,116,022	197,695		31,313,717
Total capital assets being depreciated	40,966,424	583,777	(127,000)	41,423,201
Less accumulated depreciation for				
Buildings	2,406,068	139,577		2,545,645
Equipment	1,863,810	294,891	(81,492)	2,077,209
Infrastructure	19,932,804	933,666		20,866,470
Total accumulated depreciation	24,202,682	1,368,134	(81,492)	25,489,324
Net capital assets being depreciated	16,763,742	(784,357)	(45,508)	15,933,877
Governmental Activities Capital Assets, net	18,420,600	(784,357)	(45,508)	17,590,735

NOTE 3 - DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

D. Capital Assets (continued)

	Beginning Balance	*Increases*	*Decreases*	*Ending Balance*
Business-type Activities;				
Capital assets being depreciated				
Sewer System	13,412,223	13,132		13,425,355
Total capital assets being depreciated	13,412,223	13,132	-	13,425,355
Less accumulated depreciation for				
Sewer System	6,077,313	299,586		6,376,899
Total accumulated depreciation	6,077,313	299,586	-	6,376,899
Net capital assets being depreciated	7,334,910	(286,454)	-	7,048,456
Business-type Activities Capital Assets, net	7,334,910	(286,454)	-	7,048,456

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

Governmental Activities	
General Government	45,918
Public Safety	134,752
Recreation and Culture	55,788
Public Works, including depreciation of general infrastructure assets	1,131,676
Total Depreciation Expense - Governmental Activities	1,368,134

NOTE 3 - DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

E. Interfund Receivables and Payables

Individual fund interfund receivable and payable at June 30, 2017, were as follows:

	Interfund Receivable	*Interfund Payable*
General Fund	551,363	193,749
Special Revenue Funds	7,779	968
Capital Projects	192,616	
Permanent Funds		
Dyer Library		1,648
Cemetery	50	5,000
Enterprise Fund		
Sewer		550,443
Totals	751,808	751,808

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. On the Governmental Fund financial statements, the payables are classified as Due to Other Funds with offsetting receivables on the Governmental Fund financial statements classified as Due from Other Funds. The above balances represent cash that has been deposited into the general fund checking account for those funds. The Town Council and Town Manager are aware of the interfund balances and are working on a multi-year payback plan.

Transfers To/From Other Funds at June 30, 2017, were as follows:

	Transfers From	*Transfers To*
General Fund	5,000	433,964
Special Revenue Funds	5,447	
Capital Projects	432,517	
Trust Funds		9,000
Totals	442,964	442,964

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) use unrestricted revenues in the General fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and (3) transfer funds to general fund to cover expenditures voted on per Council.

NOTE 3 - DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

F. Capital Leases

The town is obligated under certain leases accounted for as capital leases. The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at June 30:

Year Ended June 30,	***Minimum Lease Payment***
2018	57,471
2019	57,472
2020	57,471
2021	57,472
Total Minimum Lease Payments	229,886
Less: Amount Representing Interest	(16,972)
Present Value of Future Minimum Lease Payments	212,914

G. Long-Term Debt

1. General Obligation Bonds and Notes.

The government issues general obligation bonds and notes to provide funds for the acquisition and construction of major capital facilities.

General obligation bonds and notes are direct obligations and pledge the full faith and credit of the government. General obligation bonds and notes currently outstanding are as follows:

Purpose Proprietary	***Maturity Date***	***Interest Rate***	***Amount***
1996 Sewer SRF	10/1/2017	3.02%	93,448
2006 Sewer Construction Bond	11/1/2025	2.55-6.00%	710,530
2010 Rt 1A Sewer Bond	7/29/2029	0-1.13%	1,249,216
2014 Sewer Project	11/1/2034	.41-4.02	811,845
2017 Sewer Bill Loan	1/23/2024	2.61%	244,688
2017 Sewer Project	5/16/2024	2.47%	262,936
			3,372,663

General Obligation	***Maturity Date***	***Interest Rate***	***Amount***
2000 Road Construction & Line Extensions	11/1/2020	4.676-5.751%	360,000
2002 Fire Station	11/1/2021	3.25-5.125%	421,500
2011 Mayo Rd Bond	11/1/2030	.831-5.094%	1,277,500
			2,059,000

NOTE 3 - DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

G. Long-Term Debt (continued)

1. General Obligation Bonds and Notes (continued)

Annual debt service requirements to maturity for general obligation and proprietary bonds and notes, including interest of $844,124 are as follows:

Year Ended June 30,	*General Obligation Debt*	*Proprietary*	*Total*
2018	332,914	454,619	787,533
2019	321,741	355,342	677,083
2020	310,446	350,977	661,423
2021	299,100	347,252	646,352
2022	200,266	343,130	543,396
2023-2027	537,410	1,309,886	1,847,296
2028-2032	385,847	583,436	969,283
2033-2035		143,421	143,421
Total	2,387,724	3,888,063	6,275,787

2. Changes in Long-Term Liabilities

The following summary of long-term debt transactions of the Town of Hampden for the fiscal year ended June 30, 2017:

	General Fund	*Proprietary Fund*	*Capital Leases*
Long-term Debt payable July 1, 2016	2,324,550	3,168,721	61,129
Debt Issued		521,746	267,320
Debt Retired	(265,550)	(317,804)	(115,535)
Long-term Debt payable June 30, 2017	2,059,000	3,372,663	212,914

3. Overlapping Debt

The Town's proportionate share of debt of all local government units which provide services within the Town's boundaries, and which must be borne by properties in the Town is summarized as follows:

Units	*Net debt outstanding June 30, 2016*	*Percentage applicable to the Town*	*Town's proportionate share of debt*
Regional School Unit No. 22	35,563,147	58.14%	20,676,414
Penobscot County	-	5.60%	-
Totals	35,563,147		20,676,414

The Town's proportionate share of the above debt is paid through annual assessments by the receptive units.

NOTE 3 - DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

H. Reserve Funds

The Town has authorized various reserve funds primarily for future acquisitions. At June 30 these funds total $638,771 and are detailed in Exhibits A-6 and C-3.

NOTE 4 - OTHER INFORMATION

A. Contingent Liabilities

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

B. Permanent Funds and Fiduciary Funds

The principal amount of all Nonexpendable Fiduciary Funds is restricted either by law or by terms of individual bequests in that only income earned may be expended. The government's Permanent Funds and Fiduciary Funds at June 30 are detailed as follows:

Fiduciary Funds	***Principal***	***Income***	***Total***
Hampden Environmental		3,721,655	3,721,655
Permanent Funds			
Dyer Library	257,242	140,324	397,566
Cemetery	56,918	32,892	89,810
Diane Marshall Book Fund	200	276	476
	314,360	173,492	487,852

C. Defined Benefit Employee Pension Plan

Plan Description

Qualifying personnel of the Town participate in the Maine Public Employees Retirement System (System) Participating Local District Consolidated (PLD) Plan. The plan is a multiple-employer, cost-sharing pension plan with a special funding situation. The State of Maine is also a non-employer contributing entity in that the State pays the initial unfunded actuarial liability on behalf of town employees, while towns contribute the normal cost, calculated actuarially, for their members.

NOTE 4 - OTHER INFORMATION (Continued)

C. Defined Benefit Employee Pension Plan (continued)

Pension Benefits

Benefit terms are established in Maine Statute, an advisory group, also established by statute, reviews the terms of the plan and periodically makes recommendations to the Legislature to amend them. The System's retirement programs provide defined retirement benefits based on member's average final compensation and service credit earned as of retirement. Vesting (i.e., eligibility for benefits upon reaching qualification) occur upon the earning of five years of service credit for PLD employees (effective October 1, 1999, the prior ten year requirement was reduced by legislative action to five years. In some cases, vesting occurs on the earning of one year of service credit immediately preceding retirement at or after normal retirement age. Normal retirement age for PLD employees is age 60 or 65. 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. The System also provides disability and death benefits which are established by contract with other participating employers under applicable statutory provisions.

Upon termination of membership, members' accumulated employee contributions are refundable with interest, credited in accordance with statute. Withdrawal of accumulated contributions results in forfeiture of all benefits and membership rights. The annual rate of interest credited to members' accounts is set by the System's Board of Trustees and is currently 5.0%.

Member and Employer Contributions

Retirement benefits are funded by contributions from members and employers and by earnings on investments. Disability and death benefits are funded by employer normal cost contributions and by investment earnings. Member and employer contribution rates are each a percentage of applicable member compensation. Member contribution rates are defined by law or by the System's Board of Trustees and depend on the terms of the Plan under which a member is covered. Employer contribution rates are determined through actuarial valuations. For the year ended June 30, 2016, the member contribution rate was 8% for regular – AC plan and 9.5% for special – 3C plan of applicable member compensation. The employer contribution rate was 9.5% for regular –AC plan and 11.4% for Special – 3C plan of applicable member compensation.

The required contributions paid into the System for the ended June 30, 2017 and the previous two years are as follows:

For the year ended June 30,	*Employee Contributions*	*Employer Contributions*	*Applicable Member Compensation*
2017	$ 102,402	$ 122,738	$ 1,100,814
2016	$ 93,591	$ 117,929	$ 1,057,122
2015	$ 82,568	$ 106,968	$ 995,645

Revenue Recognition

Employer contributions to the System are recognized as additions in the period when they become due pursuant to formal commitments or statutory requirements. Investment income is recognized when earned and investment expenses are recorded when incurred. For the PLD consolidated plan, total employer and non-employer

NOTE 4 - OTHER INFORMATION (Continued)

C. Defined Benefit Employee Pension Plan (continued)

contributions were the basis for the allocation, adjusted to remove the normal cost contributions paid by the local employers on behalf of their employees. These leave contributions toward the net pension liability of the Plan as the basis of allocation. This method of allocation properly distributes the collective net pension liability between the State of Maine as the non-employer contributing entity and those employers contributing towards the net pension liability of the plan using grant funding.

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

As of June 30, 2017, the Town reported a net pension liability of $978,886. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members. At June 30, 2016, the Town's proportion was .239080%, which was a decrease of 0.022607% from its proportion measured at June 30, 2015.

For the fiscal year ended June 30, 2017, the Town recognized pension expense of $122,738. At June 30, 2017, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	*Deferred Inflows of Resources*
Differences between expected and actual experience		47,029
Changes in Assumption	83,297	-
Net Difference between projected between projected and actual earnings on pension plan investments	337,352	364,270
Changes in proportion and differences between employer contributions and proportionate share of contributions		67,053
Employer Contributions made subsequent to measurement date	122,738	
	543,387	478,352

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

Year ended June 30,	
2018	(61,185)
2019	63,563
2020	6,567
2021	(66,646)

NOTE 4 - OTHER INFORMATION (Continued)

C. Defined Benefit Employee Pension Plan (continued)

Actuarial Assumptions

The total pension liability in the June 30, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary Increases	2.75%-9%
Investment Rate of Return	6.875%, per annum, compounded annually
Cost of Living Benefit Increases	2.20%

For the Town employees, the RP2014 Total Dataset Healthy Annuitant Mortality Table, for males and females is used.

The Entry Age Normal actuarial funding method is used to determine costs. Under this funding method, the total employer contribution rate consists of two elements, the normal cost rate and the unfunded actuarial liability (UAL) rate.

The individual entry age normal method is used to determine liabilities. Under the individual entry age normal method, a normal cost rate is calculated for each employee. This rate is determined by taking the value, as of age at entry into the plan, of the member's projected future benefits, and dividing it by the value, also as of the member's entry age, of his expected future salary. The normal cost of each employee is the product of his pay and his normal cost rate. The normal cost for the group is the sum of the normal costs for all members.

Experience gains and losses, i.e., decreases or increases in liabilities and/or in assets when actual experience differs from the actuarial assumptions, affect the unfunded actuarial liability.

The long-term expected rate of return on pension plan investments were 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 class of assets. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of June 30, 2016 are summarized in the following table.

NOTE 4 - OTHER INFORMATION (Continued)

A. Defined Benefit Employee Pension Plan (continued)

Asset Class	*Target Allocation*	*Long-Term Expected Real Rate of Return*
US Equities	*20%*	*5.7%*
Non-US Equities	*20%*	*5.5%*
Private Equity	*10%*	*7.6%*
Real Assets:		
Real Estate	*10%*	*5.2%*
Infrastructure	*10%*	*5.3%*
Hard Assets	*5%*	*5.0%*
Fixed Income	*25%*	*2.9%*
	100%	

Discount Rate

The discount rate used to measure the total pension liability was 6.875% for 2016. The projection of cash flows used to determine the discount rate assumed the plan member contributions will be made the current contribution rate and that employer and non-employer entity contributions will be made at contractually required rates, actuarially determined. Based on these assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. 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 liability.

The following table shows how the collective net pension liability/ (asset) as of June 30, 2016 would change if the discount rate used was one percentage point lower or one percentage point higher than the current rate.

	1% Decrease (5.875%)	*Current Discount Rate (6.875%)*	*1% Increase (7.875%)*
Proportionate Share of the Net Pension Liability	$ 1,963,947	$ 978,886	$ 237,288

Pension Plan Financial and Actuarial Information

Additional financial information and actuarial information can be found in the Maine PERS' 2016 Comprehensive Annual Financial Reports available online at www.mainepers.org or contacting the System at (207) 512-3100.

NOTE 4 - OTHER INFORMATION (Continued)

B. Pension Plans

The government's full-time employees have the option of coverage under the ICMA or Maine Public Employees Retirement Systems.

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all employees, permits the 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 plan is administered by an independent company, and the Town remits all compensation deferred to this administrator for investment as requested by the participant employees. All assets and income of the plans are held in trust for the exclusive benefit of participants and their beneficiaries.

The Town offers its employees a Money Purchase Pension Plan and Trust, which is administered by an independent provider. The Town shall contribute on behalf of each participant 8.40% of earnings plus another .5% of earnings if the employee contributes an additional 2% to a 457 deferred compensation plan for the plan year. Each participant is not required but can make voluntary contributions up to 10% of earnings for the plan year. All full-time employees not on the Maine Public Employees Retirement System are eligible to participate. Normal retirement age shall be 55 (not to exceed age 65). Participant's vesting requirements are fulfilled as follows: 3 years-20%; 4 years-40%; 5 years-60%; 6 years-80%; and 7 years and over-100%.

A participant may direct the investment without restriction among various options available under the trust. Loans are not permitted under the plan.

Additionally, the Town participates in a retirement health savings plan. Employees are allowed to contribute pre-tax wages to this account. The town will contribute the value of one sick day per month to the program for employees who have reached the maximum allowable accrued sick time of 120 days. The Town's contribution to the health savings plan was $36,800 for June 30, 2017, $36,800 for June 30, 2016, and $34,269 for June 30, 2015.

C. Deficit Fund Balance

As of June 30, 2017, the sewer fund has a negative unrestricted fund balance of $728,427. The deficit is partially due to budgeting more expenses than revenues for the past several years. The Town Council did substantially raise sewer rates in February 2016 and adopted another rate increase in May 2017.

D. Tax Abatements

The Town of Hampden negotiates tax increment financing agreements on an individual basis. The Town has tax increment financing agreements with three entities as of June 30, 2017:

NOTE 4 - OTHER INFORMATION (Continued)

D. Tax Abatements (continued)

Purpose	***Percentage of Taxes Returned during the Fiscal Year***	***Amount of Taxes Returned during the Fiscal Year***
Haverlock, Estey, & Curran built a new building in the business park and relocated to Hampden	50%	5,264.35
University Club/Dennis Paper is a grocery distributor located on the Mecaw Road. They have done two expansions over the last five years and now employ over 100 employee/owners	77%	9,357.15
Emera Maine - New facility for line workers relocated to Hampden in 2016 with the administrative offices to be relocated by 2019	50%	141,312.08

Each agreement was negotiated under a state law (the Economic Opportunity Act of 1964 as revised) allowing localities to rebate property taxes for a variety of economic development purposes, including business relocation, retention, and expansion. All Tax Increment Financing applications must be reviewed by and approved by the State of Maine Department of Economic Development and Community Development. The rebates may be granted to any business located within or promising to relocate to a government's geographic area. Localities may grant rebates up to 100 percent of annual property taxes through a direct reimbursement of the entity's property tax bill. The state law does provide for the recapture of the rebated taxes in the event that the recipient does not fulfill the commitment it makes in return for the reimbursement.

The Town of Hampden has adopted a Tax Increment Financing Policy. The Town of Hampden has not made any commitments as part of the agreements other than to reduce taxes. The Town is not subject to any tax rebate agreements entered into by other governmental agencies. The Town has chosen to disclose information about its tax rebate agreements individually.

TOWN OF HAMPDEN ***Exhibit J***

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL - UNASSIGNED FUND BALANCE

FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	*Final Budget*	*Actual*	*Variance Favorable (Unfavorable)*
Revenues				
Taxes	13,255,299	13,255,299	13,468,411	213,112
Intergovernmental Revenues	569,248	572,608	572,976	368
Departmental Revenues	382,895	382,895	420,519	37,624
Other Local Sources	259,232	259,232	277,734	18,502
Total Revenues	14,466,674	14,470,034	14,739,640	269,606
Expenditures (Net of Departmental Revenues)				
General Government	1,144,132	1,144,132	1,152,210	(8,078)
Public Safety	2,722,116	2,725,476	2,761,079	(35,603)
Public Works	1,525,387	1,525,387	1,348,624	176,763
Solid Waste	360,028	360,028	405,079	(45,051)
Recreation and Culture	593,115	593,115	587,177	5,938
The Bus	84,597	84,597	83,496	1,101
Buildings and Grounds	196,495	196,495	182,546	13,949
General Assistance	6,000	6,000	4,457	1,543
Debt Service	339,986	339,986	339,973	13
Tax Increment Financing	155,941	155,941	158,428	(2,487)
Assessments	7,214,495	7,214,495	7,108,589	105,906
Total Expenditures	14,342,292	14,345,652	14,131,658	213,994
Excess Revenues Over Expenditures	124,382	124,382	607,982	483,600
Other Financing Sources				
Transfer from Other Funds	382,135	382,135	382,135	-
Transfers to Other Funds	(506,517)	(506,517)	(506,517)	-
Total Other Financing Sources (Uses)	(124,382)	(124,382)	(124,382)	-
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	-	-	483,600	**483,600**
Unassigned Fund Balance - July 1			1,015,082	
Host Community Benefit			503,523	
Unassigned Fund Balance - June 30			**2,002,205**	

TOWN OF HAMPDEN ***Exhibit K***

REQUIRED SUPPLEMENTARY INFORMATION

PENSION PLAN SCHEDULES - LAST 10 FISCAL YEARS

FOR THE YEAR ENDED JUNE 30, 2017

Schedule 1 - Proportionate Share of the Net Pension Liability	***Participating Local Districts Plan***		
	For the Fiscal Year Ended June 30, 2017	*For the Fiscal Year Ended June 30, 2016*	*For the Fiscal Year Ended June 30, 2015*
Proportion of net pension liability	0.239080%	0.261687%	0.284342%
Proportionate share of net pension liability	$978,886	$834,901	$437,549
Covered employee payroll	$1,100,814	$1,057,122	$995,645
Proportionate share of the net pension liability as a percentage of its covered employee payroll	88.92%	78.98%	43.95%
Plan Total Pension Liability	$2,889,740,634	$2,720,936,009	$2,609,657,845
Plan Fiduciary Net Position	$2,358,409,925	$2,401,889,308	$2,455,776,671
Plan Net Pension Liability	$531,330,709	$319,046,701	$153,881,174
Plan Fiduciary Net Position as a % Of the Total Pension Liability	81.613%	88.274%	94.103%
Plan Covered Employee Payroll	$521,870,235	$497,616,846	$460,029,637
Plan Net Pension Liability as a % Of the Covered Employee Payroll	101.813%	64.115%	33.450%

* *Amounts presented for each fiscal year were determined as of June 30. A full year schedule will be displayed as it becomes available.*

Schedule 2 - Schedule of Town Contributions:

	For the Fiscal Year Ended June 30, 2017	*For the Fiscal Year Ended June 30, 2016*	*For the Fiscal Year Ended June 30, 2015*
Contractually required contribution	$122,738	$117,929	$106,968
Contribution in relation to the contractually required contribution	($122,738)	($117,929)	($106,968)
Contribution deficiency	$0	$0	$0
Covered employee payroll	$1,100,814	$1,057,122	$995,645
Contributions as a percentage of covered employee payroll	11.15%	11.16%	10.74%

* *Amounts presented for each fiscal year were determined as of June 30. A full year schedule will be displayed as it becomes available.*

NOTE 1 - Actuarial Methods and Assumptions

The information in the historical pension information was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation date June 30, 2016, is as follows:

A. Actuarial Cost Method

The Entry Age Normal actuarial funding method is used to determine costs. Under this funding method, the total employer contribution rate consists of two elements, the normal cost rate and the unfunded actuarial liability rate.

The individual entry age normal method is used to determine liabilities. Under the individual entry age normal method, a normal cost rate is calculated for each employee. This rate is determined by taking the value, as of age at entry into the plan, of the member's projected future benefits, and dividing it by the value, also as of the member's entry age, of their expected future salary. The normal cost for each employee is the product of their pay and their normal cost rate. The normal cost for the group is the sum of the normal costs for all members.

B. Asset Valuation Method

The actuarial valuation employs a technique for determining the actuarial value of assets which dampens the swing in the market value. The specific technique adopted in this valuation recognizes in a given year one-third of the investment return that is different from the actual assumption for investment return.

C. Amortization

The net pension liability is amortized on a level percentage of payrolls over the amortization period then in effect in statutory and constitutional requirements. All other gains, losses, and changes are amortized over ten-year periods beginning on the date as of which they occur. The net pension liability of the PLD Consolidated Plan is amortized on a level percentage of payroll using a method where a separate twenty-year closed period is established annually for the gain or loss for that year.

Significant actuarial assumptions employed by the actuary for funding purposes as of June 30, 2016 are as follows:

	PLD Plan
Investment Rate of Return:	6.875% per annum, compounded annually
Inflation Rate	2.75%
Rates of Salary Increase	2.75% to 9.0%
Cost of Living Benefit:	2.20%

For Town employees, the mortality rate is based on the RP2014 Total Dataset Healthy Annuitant Mortality Table for males and females for both the SET Plan and PLD Plan. The actuarial assumptions used in the June 30, 2016 valuation were based on the Entry Age Normal actuarial funding method. Under this funding method, the total employer contribution rate consists of two elements, the normal cost rate and the unfunded actuarial liability rate.

TOWN OF HAMPDEN
GENERAL FUND
STATEMENT OF ESTIMATED AND ACTUAL REVENUES
FOR THE YEAR ENDED JUNE 30, 2017

	Estimated	***Actual***	***Over (Under) Budget***
Taxes			
Property	11,430,799	11,410,688	(20,111)
Auto Excise	1,780,000	2,014,933	234,933
Boat Excise	10,000	11,477	1,477
Lien Interest and Fees	23,500	19,801	(3,699)
Interest on Taxes	11,000	11,512	512
	13,255,299	13,468,411	213,112
Intergovernmental Revenues			
General Assistance	3,000	2,932	(68)
Tree Growth	3,400	4,015	615
Veterans Reimbursement	6,700	6,502	(198)
Homestead Reimbursement	247,857	247,857	-
Business Equipment Tax Reimbursement	80,321	80,405	84
State Road Assistance	65,316	65,316	-
DEA/School Reimb.	160,000	161,411	1,411
Highway Safety Grant	3,360	3,360	-
Snowmobile Reimbursement	2,654	1,178	(1,476)
	572,608	572,976	368
Departmental Revenues			
Ambulance Service	200,000	210,737	10,737
Police	2,500	1,126	(1,374)
Fire	2,000	1,231	(769)
Solid Waste Recycling	4,500	8,107	3,607
Transfer Station	31,795	32,825	1,030
Sewer	60,000	60,769	769
Plumbing Fees	8,500	8,188	(312)
Re-Registration Fees	20,500	25,706	5,206
Town Clerk Fees	14,500	13,086	(1,414)
Public Works/Cemetery Fees	6,100	7,432	1,332
Code Officer	20,500	18,160	(2,340)
Library	6,500	7,119	619
Animal Control	3,000	3,000	-
Planning/Zoning Fees	2,500	23,033	20,533
	382,895	420,519	37,624

	Estimated	*Actual*	*Over (Under) Budget*
Other Local Sources			
Interest on Investments	10,000	9,916	(84)
Fair Value Increases (Decreases)		26,742	26,742
Cable TV Franchise	39,000	33,644	(5,356)
Sale of Cemetery Lots	2,500	3,163	663
Rental Income	2,000	2,000	-
Fees and Permits	1,000	78	(922)
Service Charges	13,540	9,116	(4,424)
PERC Revenue	65,000	48,737	(16,263)
401 Forfeiture Funds	6,192	6,082	(110)
Environmental Trust	120,000	129,992	9,992
All Other		8,264	8,264
	259,232	277,734	18,502
Operating Transfers In			
Municipal Revenue Sharing	377,135	377,135	-
Cemetery Reserve	5,000	5,000	-
	382,135	382,135	-
Total Revenues and Transfers	14,852,169	**15,121,775**	**269,606**
Beginning Fund Balance Used To Reduce Tax Commitment	-		
Total	**14,852,169**		

TOWN OF HAMPDEN
GENERAL FUND
STATEMENT OF APPROPRIATIONS, EXPENDITURES AND ENCUMBRANCES
FOR THE YEAR ENDED JUNE 30, 2017

	Encumbered From 6/30/16	*Appropriations*	*Expenditures Net of Refund*	*Encumbered To 6/30/18*	*Under Budget*
General Government					
Administration		598,062	598,517		(455)
GIS/IT		108,031	106,608		1,423
Communications		19,483	18,606	1,889	(1,012)
Town Council		29,717	31,468		(1,751)
Municipal Building		95,561	99,326		(3,765)
Tax Collector		7,350	7,522		(172)
Elections		9,514	8,157		1,357
Planning/Assessing		274,164	278,850		(4,686)
Economic Development		2,250	1,267		983
	-	1,144,132	1,150,321	1,889	(8,078)
Public Safety					
Police Department		1,017,399	1,026,875		(9,476)
DARE Program	1,733				1,733
Fire Department		966,605	996,227		(29,622)
Public Safety		197,377	189,883		7,494
Non Department Utilities		544,095	549,827		(5,732)
	1,733	2,725,476	2,762,812	-	(35,603)
Public Works					
Public Works	52,491	1,367,867	1,068,767	171,811	179,780
Municipal Garage		34,090	37,440		(3,350)
Stormwater		123,430	117,857	5,240	333
	52,491	1,525,387	1,224,064	177,051	176,763
Solid Waste		360,028	405,079		(45,051)
Recreation and Culture					
Recreation		137,083	139,384		(2,301)
Dyer Library		250,008	251,818		(1,810)
Lura Hoit Pool		206,024	195,975		10,049
	-	593,115	587,177	-	5,938

TOWN OF HAMPDEN
GENERAL FUND
STATEMENT OF APPROPRIATIONS, EXPENDITURES AND ENCUMBRANCES
FOR THE YEAR ENDED JUNE 30, 2017

	Encumbered From 6/30/16	*Appropriations*	*Expenditures Net of Refund*	*Encumbered To 6/30/18*	*(Over) Under Budget*
The Bus		84,597	83,496		1,101
Buildings and Grounds		196,495	182,546		13,949
General Assistance		6,000	4,457		1,543
Debt Service		339,986	339,973		13
TIF		155,941	158,428		(2,487)
Assessments					
Regional School District		6,308,863	6,308,862		1
County Tax		792,558	792,558		-
Overlay		113,074	7,169		105,905
		7,214,495	7,108,589	-	105,906
Transfers To Other Funds					
Town Roads Reserve		4,498	4,498		-
Public Works Equipment Reserve		137,774	137,774		-
Municipal Building Reserve		20,000	20,000		-
Ambulance Reserve		77,245	77,245		-
Wage Study Reserve		40,000	40,000		-
Police Cruiser Reserve		34,000	34,000		-
Solid Waste Reserve		58,000	58,000		-
Recreation Area Reserve		80,000	80,000		-
Pool Facility Reserve		5,000	5,000		-
Fire Truck Reserve		50,000	50,000		-
		506,517	506,517		-
Totals	**54,224**	**14,852,169**	**14,513,459**	**178,940**	**213,994**

TOWN OF HAMPDEN *Exhibit A-3*
GENERAL FUND
STATEMENT OF CHANGES IN UNASSIGNED FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2017

Unassigned Fund Balance, July 1	1,015,082	
Unassigned Fund Balance, June 30	1,498,682	
Increase (Decrease)		**483,600**

Analysis of Change

Budget Summary		
Revenue Surplus (Exhibit A-1)	269,606	
Unexpended Balance of Appropriations and Operating Transfers (Exhibit A-2)	213,994	
Budget Surplus		483,600
Deductions		
Beginning Fund Balance Used To Reduce Tax Commitment		-
Increase (Decrease)		**483,600**

***Reconciliation Between General Unassigned Fund Balance and Exhibit C Unassigned Fund Balance:**

General Fund Unassigned Fund Balance - Exhibit A-3	1,498,682
Host Community Benefit	503,523
Total Unassigned Fund Balance Exhibit C	2,002,205

TOWN OF HAMPDEN
ALL GENERAL RESERVES
BALANCE SHEET
JUNE 30, 2017

Assets	*Municipal Revenue Sharing*	*Town Reserves*	*Voting Machine*	*Recreation*	*Bronco Youth Football*
Cash and Equivalents		53,742			
Investments		16,508			
Due from Other Funds	155,344	52,000	18,492	341,209	11,028
Total Assets	**155,344**	**122,250**	**18,492**	**341,209**	**11,028**
Liabilities & Fund Balances					
Liabilities					
Due to Other Funds					
Total Liabilities	-	-	-	-	-
Fund Balances					
Restricted	155,344				
Committed		122,250	18,492	341,209	11,028
Unassigned					
Total Fund Balances	155,344	122,250	18,492	341,209	11,028
Total Liabilities & Fund Balances	**155,344**	**122,250**	**18,492**	**341,209**	**11,028**

TOWN OF HAMPDEN
ALL GENERAL RESERVES
BALANCE SHEET
JUNE 30, 2017

Assets	*Bronco Travel Basketball*	*Bronco Little League*	*Host Community Benefit*	*Lura Hoit Enterprise*	*Lura Hoit Pool*	*Totals*
Cash and Equivalents					36,801	90,543
Investments					91,438	107,946
Due from Other Funds	15,655	23,420	503,523	100,452		1,221,123
Total Assets	**15,655**	**23,420**	**503,523**	**100,452**	**128,239**	**1,419,612**
Liabilities & Fund Balances						
Liabilities						
Due to Other Funds					27,737	27,737
Total Liabilities	-	-	-	-	27,737	27,737
Fund Balances						
Restricted						155,344
Committed	15,655	23,420		100,452	100,502	733,008
Unassigned			503,523			503,523
Total Fund Balances	15,655	23,420	503,523	100,452	100,502	1,391,875
Total Liabilities & Fund Balances	**15,655**	**23,420**	**503,523**	**100,452**	**128,239**	**1,419,612**

TOWN OF HAMPDEN *Exhibit A-5*
ALL GENERAL RESERVES *Page 1 of 2*
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017

	Municipal Revenue Sharing	*Town Reserves*	*Fire Training School*	*Voting Machine*	*Recreation*	*Bronco Youth Football*
Revenues						
Intergovernmental Revenues	379,813					
Investment Income		779				
Fair Value Increases (Decreases)		(508)				
Other Local Sources		818			360,809	7,940
Total Revenues	379,813	1,089	-	-	360,809	7,940
Expenditures						
General Government		50,609				
Public Safety		37,697	4,061			
Public Works		1,523				
Recreation and Culture					244,265	7,384
Total Expenditures		89,829	4,061	-	244,265	7,384
Excess of Revenues Over (Under) Expenditures	379,813	(88,740)	(4,061)	-	116,544	556
Other Financing Sources (Uses)						
Transfers from Other Funds		74,000				
Transfers to Other Funds	(377,135)	(1,447)				
Total Other Financing Sources (Uses)	(377,135)	72,553	-	-	-	-
Excess of Revenues and Other Financing Sources (Uses) Over Expenditures	2,678	(16,187)	(4,061)	-	116,544	556
Fund Balance - July 1	152,666	138,437	4,061	18,492	224,665	10,472
Fund Balance - June 30	**155,344**	**122,250**	**-**	**18,492**	**341,209**	**11,028**

TOWN OF HAMPDEN *Exhibit A-5*
ALL GENERAL RESERVES *Page 2 of 2*
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017

	Bronco Travel Basketball	*Bronco Little League*	*Host Community Benefit*	*Lura Hoit Enterprise*	*Lura Hoit Pool*	*Totals*
Revenues						
Intergovernmental Revenues						379,813
Investment Income					2,321	3,100
Fair Value Increases (Decreases)					1,927	1,419
Other Local Sources	31,581	44,932	289,154	163,605	15,810	914,649
Total Revenues	31,581	44,932	289,154	163,605	20,058	1,298,981
Expenditures						
General Government			1,161			51,770
Public Safety						41,758
Public Works			16,460			17,983
Recreation and Culture	34,001	21,512		121,606	332	429,100
Total Expenditures	34,001	21,512	17,621	121,606	332	540,611
Excess of Revenues Over (Under) Expenditures	(2,420)	23,420	271,533	41,999	19,726	758,370
Other Financing Sources (Uses)						
Transfers from Other Funds						74,000
Transfers to Other Funds						(378,582)
Total Other Financing Sources (Uses)	-	-	-	-	-	(304,582)
Excess of Revenues and Other Financing Sources (Uses) Over Expenditures	(2,420)	23,420	271,533	41,999	19,726	453,788
Fund Balance - July 1	18,075		231,990	58,453	80,776	938,087
Fund Balance - June 30	**15,655**	**23,420**	**503,523**	**100,452**	**100,502**	**1,391,875**

TOWN OF HAMPDEN
GENERAL RESERVE FUNDS
SCHEDULE OF ACTIVITY
FOR THE YEAR ENDED JUNE 30, 2017

Exhibit A-6

Reserve Fund	*Balance July 1*	*Revenues*	*Interest*	*Increase (Decrease) In Fair Value*	*Transfers In*	*Expenditures*	*Transfers Out*	*Balance June 30*
Boat Fund/Public Safety	1,478		10	(6)				1,482
Buildings/Grounds	3,306		21	(14)				3,313
Contingency	618		4	(2)				620
Copier	243		1	(1)				243
DEP/EPA Garage Improvement	17,805		114	(74)				17,845
Economic Development	1,560		10	(7)				1,563
EMS/Vaccine	1,195		8	(5)				1,198
Fire Department Building	1,640		10	(7)				1,643
Fire Training	2,352		15	(10)				2,357
Fire Truck Refurbishing	20,973		126	(82)		(1,333)		19,684
Fire Visual Aid	58							58
GIS Mapping	22,397		97	(63)		(8,295)		14,136
Library Grant	259		1	(1)				259
Matching Grants	14,563	818	76	(49)		(1,523)	(1,447)	12,438
Planning Board Development	120		1	(1)				120
Planning Board	752		4	(3)				753
Planning and Commissions	5,265		34	(22)				5,277
Police Cruiser/Communication	23,326		131	(86)	34,000	(36,364)		21,007
Town Properties Survey	7,590		49	(32)				7,607
Town Records Restoration	2		1					3
Wage Study and Implementation	12,935		66	(43)	40,000	(42,314)		10,644
	138,437	**818**	**779**	**(508)**	**74,000**	**(89,829)**	**(1,447)**	**122,250**

TOWN OF HAMPDEN
ALL SPECIAL REVENUE FUNDS
BALANCE SHEET
JUNE 30, 2017

Assets	*Pool Donation*	*Public Safety Donation*	*Library Fund*	*Library Grant*	*Flag Project*	*Rescue Equipment*	*Children's Day Raffle*
Cash and Equivalents							
Due from Other Funds	285	2,014	4,557	12			240
Total Assets	**285**	**2,014**	**4,557**	**12**	**-**	**-**	**240**
Liabilities & Fund Balances							
Liabilities							
Due to Other Funds					580	67	
Total Liabilities	-	-	-	-	580	67	-
Fund Balances							
Restricted	285	2,014	4,557	12			240
Unassigned					(580)	(67)	
Total Fund Balances	285	2,014	4,557	12	(580)	(67)	240
Total Liabilities & Fund Balances	**285**	**2,014**	**4,557**	**12**	**-**	**-**	**240**

TOWN OF HAMPDEN
ALL SPECIAL REVENUE FUNDS
BALANCE SHEET
JUNE 30, 2017

Assets	*Lura Hoit Pool Scholarship*	*Maine Community Foundation*	*Wellness Fund*	*Pink Garden*	*Katahdin Trust Partnership*	*EVOC Equipment Grant*	*Maine Community Heritage Grant*	*Totals*
Cash and Equivalents	33,087							33,087
Due from Other Funds		12		431	96	3	129	7,779
Total Assets	**33,087**	**12**	**-**	**431**	**96**	**3**	**129**	**40,866**
Liabilities & Fund Balances								
Liabilities								
Due to Other Funds			321					968
Total Liabilities	-	-	321	-	-		-	968
Fund Balances								
Restricted	33,087	12		431	96	3	129	40,866
Unassigned			(321)					(968)
Total Fund Balances	33,087	12	(321)	431	96	3	129	39,898
Total Liabilities & Fund Balances	**33,087**	**12**	**-**	**431**	**96**	**3**	**129**	**40,866**

TOWN OF HAMPDEN
ALL SPECIAL REVENUE FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017

	Pool Donation	*Public Safety Donation*	*Hampden Bus. Assoc. Fund*	*Scene Lights Grant*	*Trail Signs*	*Library Fund*	*Library Grant*
Revenues							
Intergovernmental Revenues							
Other Local Sources		50		2,318	1,000	12,527	1,000
Total Revenues	-	50	-	2,318	1,000	12,527	1,000
Expenditures							
General Government			1,065				
Public Safety				2,318			
Recreation and Culture					1,000	14,024	16,551
Total Expenditures	-	-	1,065	2,318	1,000	14,024	16,551
Excess of Revenues Over (Under) Expenditures	-	50	(1,065)	-	-	(1,497)	(15,551)
Other Financing Sources (Uses)							
Transfers from Other Funds						4,000	
Transfers to Other Funds							
Total Other Financing Sources (Uses)	-	-	-	-	-	4,000	-
Excess of Revenues and Other Financing Sources (Uses) Over Expenditures	-	50	(1,065)	-	-	2,503	(15,551)
Fund Balance - July 1	285	1,964	1,065			2,054	15,563
Fund Balance - June 30	**285**	**2,014**	**-**	**-**	**-**	**4,557**	**12**

TOWN OF HAMPDEN
ALL SPECIAL REVENUE FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017

	Flag Project	*Rescue Equipment*	*Children's Day Raffle*	*Turnout Gear Extractor*	*Lura Hoit Pool Scholarship*	*Maine Community Foundation*	*Wellness Fund*
Revenues							
Intergovernmental Revenues		1,447		16,378			
Other Local Sources			830		2,412	406	506
Total Revenues	-	1,447	830	16,378	2,412	406	506
Expenditures							
General Government							857
Public Safety		2,961		16,378			
Recreation and Culture			1,035		649	394	
Total Expenditures	-	2,961	1,035	16,378	649	394	857
Excess of Revenues Over (Under) Expenditures	-	(1,514)	(205)	-	1,763	12	(351)
Other Financing Sources (Uses)							
Transfers from Other Funds		1,447					
Transfers to Other Funds							
Total Other Financing Sources (Uses)	-	1,447	-	-	-	-	-
Excess of Revenues and Other Financing Sources (Uses) Over Expenditures	-	(67)	(205)	-	1,763	12	(351)
Fund Balance - July 1	(580)		445		31,324		30
Fund Balance - June 30	**(580)**	**(67)**	**240**	**-**	**33,087**	**12**	**(321)**

TOWN OF HAMPDEN
ALL SPECIAL REVENUE FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017

	Pink Garden	*Katahdin Trust Partnership*	*MRPA Tickets*	*EVOC Equipment Grant*	*Maine Community Heritage Grant*	*Totals*
Revenues						
Intergovernmental Revenues						17,825
Other Local Sources	73		8,019			29,141
Total Revenues	73	-	8,019	-	-	46,966
Expenditures						
General Government	87					2,009
Public Safety						21,657
Recreation and Culture			8,784			42,437
Total Expenditures	87	-	8,784	-	-	66,103
Excess of Revenues Over (Under) Expenditures	(14)	-	(765)	-	-	(19,137)
Other Financing Sources (Uses)						
Transfers from Other Funds						5,447
Transfers to Other Funds						-
Total Other Financing Sources (Uses)	-	-	-	-	-	5,447
Excess of Revenues and Other Financing Sources (Uses) Over Expenditures	(14)	-	(765)	-	-	(13,690)
Fund Balance - July 1	445	96	765	3	129	53,588
Fund Balance - June 30	**431**	**96**	**-**	**3**	**129**	**39,898**

TOWN OF HAMPDEN ***Exhibit C-1***
ALL CAPITAL PROJECTS FUNDS
BALANCE SHEET
JUNE 30, 2017

	Mayo Road	*Capital Improvement Program*	*Totals*
Assets			
Cash		350,974	350,974
Investments		84,506	84,506
Due from Other Funds	109,881	82,735	192,616
Total Assets	**109,881**	**518,215**	**628,096**
Liabilities & Fund Balances			
Liabilities			
Accounts Payable		1,694	1,694
Due To Other funds			-
Total Liabilities	-	1,694	1,694
Fund Balances			
Committed	109,881	516,521	626,402
Total Fund Balances	109,881	516,521	626,402
Total Liabilities & Fund Balances	**109,881**	**518,215**	**628,096**

TOWN OF HAMPDEN ***Exhibit C-2***

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

ALL CAPITAL PROJECT FUNDS

FOR THE YEAR ENDED JUNE 30, 2017

	Mayo Road	*Capital Improvement Program*	*Totals*
Revenues			
Investment Income		3,465	3,465
Fair Value Increases (Decreases)		(2,259)	(2,259)
Other Local Sources		4,698	4,698
Total Revenues	-	5,904	5,904
Expenditures			
Capital Outlay		283,188	283,188
Total Expenditures	-	283,188	283,188
Excess of Revenues Over Expenditures	-	(277,284)	(277,284)
Other Financing Sources (Uses)			
Transfers from Other Funds		432,517	432,517
Transfers to Other Funds		-	-
Total Other Financing Uses	-	432,517	432,517
Excess of Revenues and Other Financing Sources (Uses) Over Expenditures	-	155,233	155,233
Fund Balance - July 1	109,881	361,288	471,169
Fund Balance - June 30	**109,881**	**516,521**	**626,402**

TOWN OF HAMPDEN
CAPITAL IMPROVEMENT PROGRAM
SCHEDULE OF ACTIVITY
FOR THE YEAR ENDED JUNE 30, 2017

Exhibit C-3

Reserve Fund	*Balance July 1*	*Revenues*	*Interest*	*Increase (Decrease) In Fair Value*	*Transfers In*	*Expenditures*	*Transfers Out*	*Balance June 30*
Ambulance	(47,636)		177	(115)	77,245			29,671
Bus	1,153		7	(4)				1,156
Cemetery	14,494	2,112	80	(52)		(6,405)		10,229
Communications	806		5	(3)				808
Computer	68,371	1,283	383	(250)		(12,290)		57,497
Equip. Replacement - Public Works	4,190	853	79	(52)	137,774	(129,281)		13,563
Fire Truck	87,274		812	(529)	50,000			137,557
Library	25,229		148	(97)		(1,462)		23,818
Marina	14,424		90	(58)		(477)		13,979
Municipal Building	15,586		150	(98)	20,000	(10,823)		24,815
Pool Facility	47,034		327	(213)	5,000			52,148
Recreation	51,981	450	(39)	25		(43,524)		8,893
Recreation Area			436	(284)	80,000	(15,215)		64,937
Solid Waste	18,608		412	(269)	58,000			76,751
Town Roads	59,774		398	(260)	4,498	(63,711)		699
	361,288	**4,698**	**3,465**	**(2,259)**	**432,517**	**(283,188)**	**-**	**516,521**

TOWN OF HAMPDEN
ALL PERMANENT FUNDS
BALANCE SHEET
JUNE 30, 2017

Exhibit D-1

Assets	*Dyer Library*	*Cemetery*	*Diane Marshall Book Fund*	*Totals*
Cash and Equivalents	9,070	14,677	476	24,223
Investments	390,144	80,083		470,227
Due from Other Funds		50		50
Total Assets	**399,214**	**94,810**	**476**	**494,500**
Liabilities & Fund Balances				
Liabilities				
Due to Other Funds	1,648	5,000		6,648
Total Liabilities	1,648	5,000	-	6,648
Fund Balances				
Nonspendable	257,242	56,918	200	314,360
Assigned	140,324	32,892	276	173,492
Total Fund Balances	397,566	89,810	476	487,852
Total Liabilities & Fund Balances	**399,214**	**94,810**	**476**	**494,500**

TOWN OF HAMPDEN ***Exhibit D-2***

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

ALL PERMANENT FUNDS

FOR THE YEAR ENDED JUNE 30, 2017

	Dyer Library	*Cemetery*	*Diane Marshall Book Fund*	*Totals*
Revenues				
Fair Value Increases (Decreases)	7,094	(1,701)		5,393
Investment Income	5,417	1,012		6,429
Other Local Sources				-
Total Revenues	12,511	(689)	-	11,822
Expenditures				
Cemetery Maintenance				-
Total Expenditures	-	-	-	-
Excess of Revenues Over Expenditures	12,511	(689)	-	11,822
Other Financing Sources (Uses)				
Transfers to Other Funds	(4,000)	(5,000)		(9,000)
Total Other Financing Uses	(4,000)	(5,000)	-	(9,000)
Excess of Revenues and Other Financing Sources (Uses) Over Expenditures	8,511	(5,689)	-	2,822
Fund Balance - July 1	389,055	95,499	476	485,030
Fund Balance - June 30	**397,566**	**89,810**	**476**	**487,852**

Town of Hampden
106 Western Avenue
Hampden, Maine 04444

Phone: **(207) 862-3034**
Fax: **(207) 862-5067**
Email:
townmanager@hampdenmaine.gov

TO: Finance Committee
FROM: Angus Jennings, Town Manager
DATE: March 28, 2018
RE: West Carey Drive street acceptance, performance guarantee

---

Earlier this month Sargent Corp. filed plans for town acceptance of the western leg of the Business Park infrastructure, which is complete other than the top course of paving. (We prefer the top course not be added when there is still significant construction activity ahead - as the building lots develop - so as not to deteriorate the road surface). We hold a performance bond securing completion of the top course, consistent with Town policy, so there is not a risk that the Town would accept the road then the top course wouldn't ever be added.

The road acceptance, in this case however, raises an additional, somewhat unique, policy question because the Town is the landowner in the subdivision and, effectively, the developer (although it contracted with Sargent - through the 2014 Development Agreement - to build the infrastructure).

The policy question relates to surety (or performance guarantee). The Town Council is not typically involved with this issue - the Ordinance vests authority in the Town Manager and Treasurer. However because this is a unique case I'd like policy direction - and, at the very least, for the Council to be aware of how it is resolved.

Both the Subdivision Ordinance and the Town Ways Ordinance (which is the regulatory vehicle for street acceptance) require the developer to post an improvement guarantee equal to 15% of the cost of the infrastructure, and provide that the Town retains this guarantee (which may be cash, performance bond, irrevocable letter of credit) for 14-24 months after acceptance "to be used by Town to correct any defects in design, materials, or workmanship that arise within one year from the date of acceptance of the improvements by the Town Council" (Town Ways Ordinance Art. 1.2.1.4).

The 2014 Development Agreement Sec. II(6) specifically provides the Town Council "the option to accept such base coat only roads as town ways, and in that event may require Sargent to provide reasonable security, by letter of credit or performance bond, to assure completion of final paving within a stated period, not to exceed 24 months from the date of acceptance." (As noted, we already hold this - it guarantees about $49,000 in cost, which was the contractor's estimated cost of the top course of pavement).

However, there is no reference to the Town Ways Ordinance nor the Subdivision Ordinance (Sec. 460) to the 15% retainage requirement, and I do not support (nor would I expect the Council would favor) looking to Sargent to provide such a guarantee.

There is no provision in the Ordinance to waive the 15% requirement. However, I recommend that, because the Town is effectively the subdivider and the property developer, that the Town's Streets/Roads Reserve be considered adequate to serve as the 15% retainage required by Ordinance(s). It should be noted that the Town retained third-party inspections of the road during its construction and we are of the belief that all was constructed according to plan.

While this is not the Council's decision, per se, I am requesting Council authorization in this case because of the unique circumstances, and because the Ordinance does not provide me the authority to waive this requirement. If the matter is resolved as I am suggesting, it is important that the Council understand this issue since, in the event that a defect in the road becomes evident after acceptance, the Town would be financially responsible for repairs.

cc: Sean Currier, Public Works Director
Karen Cullen, AICP, Town Planner

Town of Hampden
106 Western Avenue
Hampden, Maine 04444

Phone: **(207) 862-3034**
Fax: **(207) 862-5067**
Email:
townmanager@hampdenmaine.gov

June 22, 2017

Sargent Corporation
Herb Sargent, President
378 Bennoch Road, P.O. Box 435
Stillwater, ME 04489

Dear Herb,

Under the terms of the Development Agreement between the Town of Hampden and Sargent Corporation executed on April 24, 2014, Sargent is required to complete all remaining infrastructure development in accordance with the approved Subdivision Plan, no later than 38 months from the effective date of the agreement for Phase 1 and 86 months from the effective date of the agreement for Phase 2.

This letter is provided as documentation that, as verified by Town inspections, Sargent Corporation has substantially completed the construction of Phase 1 of the infrastructure in the Hampden Business and Commerce Park. As such, and in addition to other actions taken, Sargent Corporation is in compliance with the Development Agreement. Work on Phase 2 is also well on its way, and well ahead of schedule.

The Town Planner, working with the Director of Public Works and with my office, will separately advise you regarding what steps will be needed under the Subdivision Ordinance in order to secure Town Council acceptance of the infrastructure as public infrastructure, including any associated requirements arising from the Development Agreement and the Town Ways Ordinance. It is our understanding pursuant to Sec. (II)(6) of the Development Agreement that the top course of pavement will be deferred until lot development along the road concerned is complete, with the Town holding security to assure completion of final paving for a period not to exceed 24 months from the date of acceptance.

The Town of Hampden appreciates the excellent workmanship displayed by Sargent Corporation in its completion of this construction. We look forward to continued partnership on implementation of the Development Agreement as lots are sold and developed in the months and years ahead.

Sincerely,

Angus Jennings, Town Manager

SARGENT
CORPORATION

Excellence for Generations.
AN EMPLOYEE OWNED COMPANY

Town of Hampden
RECEIVED

SEP 1 1 2017

Office of the
Town Manager

September 9, 2017

Mr. Angus Jennings
Town of Hampden
106 Western Avenue
Hampden, ME 04444

Re: Hampden Business & Commerce Park
East Carey Drive Bond Value Reduction

Mr. Jennings,

Substantial construction has been completed on East Carey Drive (Enterprise Drive) in the Hampden Business & Commerce Park, which, in general, includes mass excavation, road and ditch grading, and the installation of sewer and water, box culvert and subbase gravel. Given this progress, we are requesting that the bond value be reduced to $297,205 which includes the value of the work listed below.

General Conditions	$20,270
Maintenance of Erosion and Sedimentation Controls	$9,850
Road and Sidewalk Base Gravel and Finegrade	$56,360
HMA Pavement	$135,935
Curbing	$40,560
Site Grading, Loam, Seed & Mulch	$34,230
Total	$297,205

We would also like to reduce the bond value for West Carey Drive to $49,000, which covers the cost of the surface pavement.

Please call with any questions.

Sincerely,

James M. Braley
Project Manger

Main Office
378 Bennoch Road
P.O. Box 435
Stillwater, Maine 04489
Phone: (207) 827-4435
Fax: (207) 827-6150

Bangor Regional Office
489 Odlin Road
Suite 101
Bangor, ME 04401
Phone: (207) 990-1735
Fax: (207) 990-2432

Mid-Atlantic Regional Office
11139 Air Park Road
Suite 1
Ashland, VA 23005
Phone: (804) 368-7118
Fax: (804) 368-7387

Sargent Corporation is an Equal Opportunity, Affirmative Action Employer
Women and Minorities are encouraged to apply

Town of Hampden
106 Western Avenue
Hampden, Maine 04444

Phone: **(207) 862-3034**
Fax: **(207) 862-5067**
Email:
townmanager@hampdenmaine.gov

September 20, 2017

The Hanover Insurance Group
ATTN: Shawn Dennett, AFSB (via email to sdennett@hanover.com)
Territorial Manager – Contract Surety
440 Lincoln Street - N478
Worcester, MA 01653

Dear Mr. Dennett,

The Hanover Insurance Group holds two subdivision performance bonds for roads under construction in Hampden Maine. This letter serves as authorization for a reduction in the remaining bond amounts based on work completed to date.

Bond No. BCP1035272, West Carey Drive
Current Bond Amount: $77,000.00
New Bond Amount: $49,000.00
Basis: All work complete except final course pavement for West Carey Drive.

Bond No. BCP1055084, Enterprise Drive (formerly East Carey Drive)
Current Bond Amount: $698,800.00
New Bond Amount: $297,205.00
Basis: Completion of excavation; road and ditch grading; installation of water, sewer, box culvert and subbase gravel. Remaining work: road and sidewalk base gravel and finegrade; pavement; curbing; site grading, loam, seed and mulch; maintenance of erosion and sedimentation controls; and general expenses.

Please provide documentation upon completion of these two bond reductions. Feel free to contact me with any questions or if you require additional information.

Thanks,

Angus Jennings
Town Manager

cc: Sargent Corporation - Bangor Division
Jim Braley, Project Manager (via email to jbraley@sargent-corp.com)
489 Odlin Road, Suite 101
Bangor, ME 04401

Town of Hampden
106 Western Avenue
Hampden, Maine 04444

Phone: **(207) 862-3034**
Fax: **(207) 862-5067**
Email:
townmanager@hampdenmaine.gov

TO: Finance Committee and Town Council
FROM: Angus Jennings, Town Manager
DATE: March 28, 2018
RE: Proposed allocation of reserve funds for contract planning support

---

As you know, this past fall the Town contracted with The Musson Group in order for Ben Smith, AICP to provide contract planning support to supplement the Town Planner's work. The scope of work, attached, focuses primarily on "baseline" departmental tasks related to permitting, and related coordination and Planning Board support.

To date, costs for this work (approx. $9,000) have been paid from the Planning Department wage expense line (which had funds available due to the period of time the Planner was out on FMLA), and from two planning reserve accounts with modest balances available (combined amount approx. $870., which Council authorized in September 2017).

We are nearing the end of funding availability from these sources. However, I would like to continue the contract at least through the remainder of FY18. Although the Town Planner is back working full-time hours, Ben's availability to manage the permit applications and Board support has greatly assisted Karen's ability to keep her time focused on zoning ordinance amendments, as well as various policy initiatives such as the Coldbrook Corners TIF, Business Park covenants amendments, etc.

In October 2017, the Council authorized up to $15,000 in funding from the Planning & Commissions Reserve (3-725-00) to support The Musson Group's work on the Business Park Covenants. However, while that work is now complete, consultant billing has been well less than had been projected. As a result, I estimate that about $10,000 of that authorized amount will not be needed for the covenants work. (I hope to have a final invoice on or before Monday).

Therefore, I request Council authorization to reallocate the authorized-but-unspent amount from the Planning & Commissions Reserve in order to support continuing work by the contract planner. This funding will help to ensure that we maintain the schedule for the proposed zoning amendments, with Planning Board public hearing anticipated for May, Council hearing in June, and date of effect in early July.

Thank you for your consideration.

Primary Scope of Work: Interim Planning Support Services

1. Review of proposed development (Site Plan, Conditional Use, Subdivision) for compliance with Town ordinances and regulations. To include working with Administrative Assistant (Danielle Simons) to circulate applications and related materials to Town staff (Code Enforcement, Public Works, Public Safety, Assessing) and, when needed, engineering peer review (Woodard & Curran), and coordinating among the applicant and various parties.
2. Based on reviews, prepare staff reports to Planning Board including draft findings and draft Board Orders with permit conditions, each for Planning Board review, modification and action.
3. Correspondence with Town officials including (but not limited to) Town Manager, Planning Board Chair and Planning & Development Committee Chair as needed.
4. Monthly, prepare Planning Board meeting packets. Meeting packets to be finalized no later than close of business (6 PM) on the Wednesday preceding the meeting. (Administrative Assistant to distribute the packets to Board members and post agendas, hearing notices and meeting packets to the Town website and other posting locations).
5. Attend Planning Board meetings (2nd Wednesday of the month at 7 PM).
6. Prepare Planning Board meeting minutes.
7. Attend daytime meetings with staff, developers, and/or prospective applicants on an as-needed basis in order to review and explain the various regulatory standards and procedural requirements.
8. As needed, serve as Town liaison with various local, State and Federal agencies.
9. Respond to public correspondence to planning office. Establish office hours to support Town responsiveness to planning or permitting related questions from developers, prospective developers, residents, businesses and others.
10. Participate in weekly "Code Huddle" Monday at 8 AM, during which key personnel review developments in permitting, under construction, or on the horizon. In-person attendance at initial Code Huddle; once consultant(s) has met other key Town personnel, this may be by remote participation (i.e. Skype).

Secondary Scope of Work: Zoning and Regulatory Consulting Services

1. Based on advance agreement to scope and authorized billable hours, lead preparation of amendments to Zoning Ordinance, Subdivision Ordinance, and/or other local land use regulations or procedures.
2. If ordinance amendments are proposed (by Town, or by private party), attend meetings of the Town Council's Planning & Development Committee based on advance scheduling. (Meetings are held the first and third Wednesday at 6 PM, but if consultant attendance is expected this would be agreed in advance).
3. If ordinance amendments are proposed (by Town, or by private party), attend meetings of the Planning Board's Ordinance Committee (scheduled as needed, typically the 3rd Tuesday at 6 PM, but if consultant attendance is expected this would be agreed in advance). If meetings of the Ordinance Committee are needed, consultant would be responsible to prepare meeting packets.
4. Other work as assigned and upon advance agreement to scope and authorized billable hours.

Current Account Status

G 3-725-00 RESERVE ACCT / PLAN & COMM

-5,265.39 = Beg Bal
0.00 = Adjust
-40,812.77 = YTD Net
0.00 = YTD Enc
-46,078.16 = Balance

Per	Jrnl	Check	Date	Vendor---------	Description--------	RCB / Type		Debits	Credits
10	0296		10/12/17		10/12/2017 C/R	R	CR	0.00	15,000.00
10	0307		10/17/17		PLANNING/COMM	R	GJ	0.00	30,000.00
01	0528	1912	01/03/18	01185 THE MUSSON G	BUS PARK COVENANTS REVIEW	R	AP	2,434.00	0.00
02	0658	1920	02/21/18	00633 PETTY CASH	PETTY CASH	R	AP	34.23	0.00
03	0739	1925	03/15/18	01185 THE MUSSON G	BUS PARK COV REVIEW	R	AP	1,530.00	0.00
03	0759	1926	03/21/18	00040 BANGOR DAILY	BUS.PARK COV.LEGAL AD	R	AP	189.00	0.00
						Totals-		**4,187.23**	**45,000.00**

Monthly Summary

	--Regular Entries--		--Balance Entries--	
Month	Debits	Credits	Debits	Credits
October	0.00	45,000.00	0.00	0.00
January	2,434.00	0.00	0.00	0.00
February	34.23	0.00	0.00	0.00
March	1,719.00	0.00	0.00	0.00
Totals	**4,187.23**	**45,000.00**	**0.00**	**0.00**

D-5-d

Edythe L. Dyer
Library Card Policy

The Edythe L. Dyer Library (Library) is primarily supported by Hampden property taxes and because these resources are limited borrowing privileges have the following restrictions.

Library cards are free to residents of the Town of Hampden. A resident is defined as someone who owns property in Hampden or has a rental address in Hampden.

Resident and non-resident library cards may be issued to individual adults, individual children (age 6 years old and older) and institutions as defined below.

Library cards are free to Hampden town employees regardless of residency. Additionally, non-resident volunteers or program facilitators are eligible to hold a card free for one year.

Non-resident cards are available for an annual fee that entitles the non-resident to full borrowing privileges at the Library. The fee must be paid in full each year when the borrower's card is renewed. This fee is non-refundable.

All applicants for individual adult cards must complete an application card stating that they agree to obey all rules and regulations. The cardholder signing the application is responsible for all fines and replacement costs.

To obtain a Library resident card, applicants must present proof of residence or property ownership in Hampden. One or more items from the following list are required:

- valid driver's license or state I.D. card
- property tax receipt from Town Office
- utility bill with current address
- rent agreement with imprinted address
- car registration

Beginning at age 6 years, children may hold a card in their own name. The child, along with their parent or guardian, must complete the application card. The parent or guardian must sign the application card indicating that they are responsible for all fees, fines, and replacement costs. Children under the age of 6 years should use their parent's library card.

To provide proof of parent or guardian residence or property ownership, one or more of the items listed above must be presented.

Institutional cards may be issued to such institutions as:

- licensed day care facilities
- group homes
- schools

Institutional cards are subject to the same resident and non-resident requirements as individual cards. To provide proof of residence or property ownership one or more of the items listed above must be presented.

To obtain an institutional card the person responsible for the card must complete an application card and provide a letter on company letterhead (Appendix B) listing their title and stating that they understand that all fines charged due to lateness, damage, or loss of materials will be the responsibility of the title holder.

The holder of a current Library card may check out circulating materials and is responsible for returning them on time in good condition. Any card holder with outstanding fines of $10.00 or more will be denied the privilege of checking out any type of material.

Patron Confidentiality

The Library safeguards the confidentiality and privacy of all records pertaining to the use of books and materials, including those juveniles as defined by State and Federal Laws.

Maine State Law, Title 27, Chapter 4-A, Section 121 states:

> "Records maintained by any public municipal library…that contain information relating to the identity of a library patron relative to the patron's use of books or other materials at the library are confidential. Those records may only be released with the express written permission of the patron involved or as the result of a court order."

Adopted by the Board of Trustees 5/9/2012
Amended 3/12/2014
Reviewed 11/6/2016
Amended 3/21/2018

Dear Edythe Dyer Community Library,

[Name of company] agrees and complies with the rules of the Edythe Dyer Library and accepts immediate responsibility for notice in change of address and or telephone numbers, to pay any overdue fines, and to pay for lost or damaged library materials charged to the card. [Name of company] gives permission for the library to allow staff and clients to view material borrowed and check material out on the card. Authorized staff will show the library card or driver's license when checking out material.

List of authorized staff:

DRAFT