

FINANCE & ADMINISTRATION COMMITTEE MEETING

Monday, April 2nd, 2018

6:00 p.m.

Hampden Town Office

1. Meeting Minutes
 - a. March 19th, 2018
2. Review & Sign Warrants
3. Old Business
4. New Business
 - a. Confirm dates for FY19 Town Council Budget Work Sessions
 - b. Summary of meeting held earlier today (April 2nd) between RSU-22 Administration and Town Managers regarding FY19 School Budget
 - c. Discussion of March 29, 2018 MRC correspondence announcing a change to the destination of Hampden's Municipal Solid Waste effective April 1, 2018, and review of Town Manager complaint filed with MRC Board of Directors
 - d. Recommend Council authorization to waive the performance guarantee required to accept West Carey Drive as a public way
 - e. Recommend Council approval of the Edythe L. Dyer Library Card Policy – *requested by the Edythe L. Dyer Library Board of Trustees*
 - f. 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
 - g. Recommend Council authorization to re-allocate up to \$10,000 of authorized 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

- h. Proposal to add new full-time staff position to Administration Department in FY19 budget, and to reorganize and reassign some staff responsibilities for remainder of FY18
- i. Manager's report on Council Goals and Priorities
- j. Presentation of Hampden FY2017 Audit – *James W. Wadman, CPA*

- 5. Public Comment
- 6. Committee Member Comments
- 7. Adjournment

FINANCE & ADMINISTRATION COMMITTEE MEETING

Monday, March 19th, 2018

MINUTES – DRAFT

Hampden Town Office

Attending:

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

*Town Manager Angus Jennings
Town Clerk Paula Scott
DPW Director Sean Currier
Public Safety Director Joe Rogers
Fire Lt. Dan Pugsley
Kyle Corbeil, PE, Woodard & Curran
Nate McLaughlin, PE, resident*

Chairman McAvoy called the meeting to order at 6:00 p.m.

1. Meeting Minutes

- a. March 5th, 2018** – *Motion by Councilor Marble seconded by Mayor McPike to approve the minutes. Approved 6-0.*

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

3. Old Business

4. New Business

There was a motion by Mayor McPike seconded by Chairman McAvoy to add to the agenda discussion of the resignation of Town Councilor Greg Sirois, which was received earlier today, and the method of filling the vacant Council seat. The motion passed 6-0.

- aa. Discussion of the resignation of Town Councilor Greg Sirois, and the method of filling the vacant Council seat** – *Manager Jennings reported that Greg Sirois had submitted his resignation earlier this afternoon, effective immediately, and read into the record Mr. Sirois' emailed resignation. Manager Jennings said that the Town Charter sets out the procedure to fill the vacant seat and invited the Town Clerk to provide details. Town Clerk Paula Scott summarized the relevant Charter provisions and circulated a memo. She said that the Council had authorized a reduced time period for nominations, pursuant to statutory authority, in 2011 when a vacancy occurred. The draft timeline that she circulated provided for an 18-day nomination period, with nomination papers available on March 22*

and due back on April 9. There was discussion among the Councilors of allowing for a reduced nomination timeline or leaving the seat vacant until the next election in November. Councilors Marble and Ryder spoke in favor of a June election to provide a full 7-member Council. Councilor Wilde asked if someone elected in June would need to run again in November and the Town Clerk answered yes, the June seat would be through the remainder of Mr. Sirois' term, ending December 31, 2018. Chairman McAvoy expressed support for a June election. Mayor McPike asked when someone elected in June would be sworn in and the Town Clerk said immediately. Mayor McPike said the newly elected Councilor's first Council meeting would include voting on the FY19 budget [at the June 18 Council meeting], and the Town Clerk said yes. Chairman McAvoy said that the consensus seems to be a June election, and no one objected. Mayor McPike made a motion to authorize a June election with a reduced nomination period pursuant to statutory authority as spelled out in the Town Clerk's memo. Chairman McAvoy seconded the motion and it was approved 4-2 with Councilors Wilde and Cormier opposed.

- a. **Committee discussion and recommendation on timing and financing options for sewer capital projects** – Manager Jennings summarized the options available regarding which sewer projects to include on the June referendum ballot, and said the goal was to secure financing through the SRF program administered by the Maine Municipal Bond Bank, noting that this will require creation of a Fiscal Sustainability Plan (FSP). Councilor Marble asked if the FSP would be completed in-house or contracted out and Manager Jennings said it would be contracted out under the engineering contract with Woodard & Curran. Chairman McAvoy said he thought the Grist Mill bridge project costs would be included in the General Fund budget not the sewer budget, and Councilor Marble said that's part of what needs to be formally decided. Councilor Wilde supported this idea, noting that the whole Town benefits from the sewer system and the business development it allows. Mayor McPike also supported a cost share with property tax revenue supporting the bridge project. Councilor Marble agreed, noting that this cost results from a DOT project and not the sewer itself. Councilor Ryder referred to the "Alt. 1" scenario in the materials Manager Jennings had prepared, noting that if the bridge was paid from General Fund that the Sewer debt service would be about \$100,000 which would roughly equal the debt that was retired this year, and he further noted that sewage treatment costs lower than the budgeted amount should allow some funds to be set aside toward sewer reserve. Manager Jennings agreed. Councilor Marble said he didn't want to lose sight of the Main Road North project south of Western Ave. Mayor McPike

expressed support for extending financing to 30 years. Manager Jennings said that the ordinance as written would allow for that but that a 20 year term was typical for SRF funding, and consulting engineer Kyle Corbeil agreed. Chairman McAvoy asked about the pre-2000s when sewer debt service was split between the Sewer and General Fund 2/3 and 1/3. Manager Jennings said that was his understanding of how things had been done at that time, though he was not aware of any policy to that effect, and he noted that as a General Obligation bond that any borrowing would pledge the full faith and credit of the Town regardless whether the pledged revenue source was sewer fees or property taxes.

Councilor Ryder made a motion to recommend the Alt. 1 scenario (including three sewer projects but excluding the M.R.N project south of Western Ave.), and Councilor Cormier seconded. Councilor Ryder said that at some point we need to build up a sewer reserve so projects can be taken on without borrowing.

Councilor Wilde said he doesn't see the proposed cost split as equitable, noting that the whole town benefits from the sewer and that the sewer rates have increased dramatically. Councilor Ryder said that with the proposed cost split the debt service could be absorbed without increasing sewer rates. He said that the property taxpayers he's spoken with do not object to paying the bridge costs. Councilor Wilde said the Sewer Fund still needs to pay back the interfund transfers from the General Fund and Councilor Ryder said that doing so would still be part of the sewer budget. Chairman McAvoy agreed, noting that the FY19 sewer budget could still provide for \$100,000 pay-down of the interfund deficit.

A vote was taken and the motion passed 5-1 with Councilor Wilde opposed.

- b. Recommend Council 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 Services Committee – Motion by Councilor Marble seconded by Councilor Wilde to recommend Council authorization for the expenditure of up to \$3,765 from Playgrounds Reserve account for tennis court light poles. The motion passed 6-0.
- c. Recommend Council 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 – Motion by Mayor McPike seconded by Councilor Wilde to recommend Council authorization for the expenditure of \$9,238 from Fire Camera

Reserve account (3-768-00) for a thermal imaging camera. Councilor Wilde asked didn't we recently purchase one? Public Safety Director Rogers said no the current camera is almost 20 years old and was scheduled for replacement this year. The motion passed 6-0.

d. Committee recommendation to move the Infrastructure Committee meeting to April 30th – *Motion by Councilor Marble seconded by Chairman McAvoy to support rescheduling the April infrastructure meeting to April 30th. The motion passed 6-0.*

e. Manager's report on Council Goals and Priorities – *Manager Jennings said work on this is ongoing and he would send around an update once complete.*

5. Public Comment – *None.*

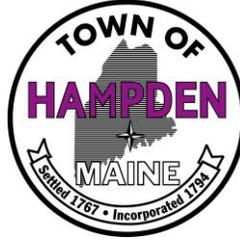
6. Committee Member Comments – *Councilor Ryder asked if we can break down estimated debt service payments for the June ballot question so voters will know what would be borne by sewer rate payers and property taxpayers. Manager Jennings said yes, this will be part of the public information outreach. Councilor Ryder said voters will need to know how it will be paid, and Chairman McAvoy asked if this information could actually be in the voting booth. Town Clerk Scott said that the state now allows the Treasurer's Statement to be posted in the voting booths. Manager Jennings said he would work with Bond Counsel to prepare a Treasurer's Statement with this information, and that an update will be provided at next week's Infrastructure Committee meeting.*

7. Adjournment

There being no further business, the meeting was adjourned at 6:53 PM.

Respectfully submitted –
Angus Jennings, Town Manager

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: Dates for FY19 budget meetings

Please find enclosed a draft schedule for your review.

In the past couple of years, the budget working meetings have been held in addition to the regularly scheduled Committee meetings. I am recommending a change this year in order to somewhat lessen the strain on Councilors and staff. My office will be responsible for significant additional responsibilities this spring due to the pending Manager transition, and the need to get other staff fully trained on procedures that I have developed and done myself, to allow for continuity through the transition. I also think the proposed schedule will be better for Councilors, since you may also have additional time commitments in May depending on how the Manager selection process goes.

I have reviewed the proposed schedule with Mayor McPike and he was supportive.

Note that, although the draft schedule does provide for the potential that sewer rates would be referred to public hearing, at this time I do not anticipate recommending a change in sewer rates for FY19. However I have included this because it is a requirement of the Sewer Ordinance to review rates annually, and I believe it is good practice to do so even if that review doesn't result in a recommended change.

TOWN OF HAMPDEN
2018/19 BUDGET MEETING SCHEDULE – **DRAFT**

To accommodate FY19 budget meetings, regularly scheduled meetings of the Planning & Development, Infrastructure, and Services Committees will not be held in May. Any Committee actions needed during this time will be agenda'd and considered at the regularly scheduled Administration/Finance Committee meetings on May 7 or May 21.

April 30, Monday 6 pm at Infra Committee	Review of draft FY19 Sewer Expense Budget Potential referral of Sewer Rates to Public Hearing	
May 1, Tuesday:	Town Manager Budget Due to Town Council	
May 7, Monday: 7 pm Council Meeting	Town Manager Presentation of Proposed FY19 Budget	
May 8, Tuesday: 6 pm	Public Safety Police Fire The Bus	Assessor/Planning Economic Development GIS/IT
May 14, Monday: 6 pm instead of Services	Administration Tax Collector General Assistance Elections Revenues	Town Council County Tax Education (RSU 22) Outside Agencies
May 16, Wednesday: 6 pm instead of P&D	Public Works Municipal Garage Municipal Building Stormwater Management	Building & Grounds Solid Waste Marina Non-departmental utilities
May 21, Monday: 7 pm Council Meeting	Town Council Meeting Potential Sewer Rate Public Hearing	
May 23, Wednesday: 6 pm	Capital Program Reserves	Debt Service Tax Increment Financing (TIF)
May 29, Tuesday: 6 pm instead of Infrastructure	Library Recreation Lura Hoit Pool	
May 30, Wednesday	(Open – potential for additional meeting if needed)	
June 4, Monday 7 pm Council Meeting	Town Council Referral to Public Hearing	
June 12, Tuesday Polls open 8am to 8 pm	RSU 22 Budget Validation Referendum State of Maine Special Referendum Special Election for Town Council	
June 18, Monday 7 pm Council Meeting	Town Council Public Hearing	



Important Notice: Interim Delivery Details

1 message

Municipal Review Committee <municipal.review.committee1@gmail.com>
Reply-To: glounder@mrcmaine.org
To: townmanager@hampdenmaine.gov

Thu, Mar 29, 2018 at 2:22 PM



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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Try it free today

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



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

MEMORANDUM

TO: All Joining Members
FROM: Greg Louder, 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
Arrostoock 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



Angus Jennings <townmanager@hampdenmaine.gov>

Complaint to MRC Board

1 message

Angus Jennings <townmanager@hampdenmaine.gov>

Thu, Mar 29, 2018 at 3:08 PM

To: Chip Reeves <chip@barharbormaine.gov>, Jim Guerra <mcswc@roadrunner.com>, director@mtdesert.org, "Conlow, Cathy" <cathy.conlow@bangormaine.gov>, Karen Fussell <kfussell@brewermaine.gov>, ilbhome@fairpoint.net, ceo@townofcarmel.org, publicworks@millinocket.org, Sophie Wilson <sophiew@orono.org>

MRC Board,

I am writing with a formal complaint regarding the notice that we received less than an hour ago notifying us of a change to the destination for our MSW, effective April 1, despite what MRC had previously informed us in writing.

I have attached a copy of the letter and licensing application we mailed to all haulers known to be active, or potentially active, in Hampden. Prior to sending out notice as part of the licensing process required by the Solid Waste Flow Control Ordinance, which letters specified PERC as the destination, we provided copies of the draft letters to Greg Lounder and on March 1 received his approval, forwarded below.

Although we did receive the March 15 letter indicating that the MSW destination could still change, I participated in MRC's conference call Board meeting two days ago and heard nothing indicating that the destination of our MSW would change.

Needless to say we are scrambling to get the word out to haulers, who may now reasonably infer based on this last-minute change that they cannot rely on written correspondence received from this office. In calls made to haulers so far, they are, understandably, expressing their frustration with us.

I am expecting a call back from Greg today to express my extreme frustration, and worse, with how this has been handled. I have advised the Town Council and the Town Attorney as well.

Angus

----- Forwarded message -----

From: **Greg Lounder** <glounder@mrcmaine.org>

Date: Thu, Mar 1, 2018 at 11:48 AM

Subject: RE: Draft letter re Flow Control Ordinance

To: Angus Jennings <townmanager@hampdenmaine.gov>

Hi Angus –

Thank you the opportunity to review the draft cover letter relating to the flow control ordinance update mailing.

I reviewed the letter and have no comments. Well done.

Greg

From: Angus Jennings [mailto:townmanager@hampdenmaine.gov]

Sent: Tuesday, February 27, 2018 3:38 PM

To: Greg Lounder <glounder@mrcmaine.org>

Subject: Draft letter re Flow Control Ordinance

Greg,

Please let me know if you have any suggestions re the attached draft. We are working on a mailing to include this, the ordinance, and a license application, with the goal to mail this week.

Thanks,

Angus

--

Angus Jennings
Town Manager

Town of Hampden
106 Western Avenue
Hampden, ME 04444
(207)-862-3034
townmanager@hampdenmaine.gov

Please check out our new website: www.hampdenmaine.gov

Under Maine's Freedom of Access ("Right to Know") law, all e-mail and e-mail attachments received or prepared for use in matters concerning Town Business or containing information relating to Town business are likely to be regarded as public records which may be inspected by any person upon request, unless otherwise made confidential by law. If you have received this message in error, please notify us immediately by return email. Thank you for your cooperation.



Letter to haulers re Flow Control Ordinance - 2-28-18.pdf

46K

Town of Hampden
106 Western Avenue
Hampden, Maine 04444



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

February 28, 2018

[RECIPIENT]

Dear [RECIPIENT],

The Hampden Town Council recently adopted a Solid Waste Flow Control and Licensing Ordinance ("Ordinance"), and repealed the previous ordinance adopted in 1988. The Ordinance was adopted pursuant to 38 M.R.S.A. § 1304-B and 30-A M.R.S.A. § 3001, et. seq. A copy of the approved Ordinance is enclosed.

The Ordinance requires that all acceptable solid waste generated within the Town of Hampden that is not disposed of outside the State of Maine be delivered to a Solid Waste Facility designated by the Town.

The Town has signed a contract with Fiberight for disposal of Municipal Solid Waste (MSW) at the facility now under construction off Coldbrook Road in Hampden. Until that facility is complete and prepared to accept MSW, and until further notice by the Town, the destination for MSW generated in Hampden will continue to be the PERC Facility in Orrington. The new Hampden facility is expected to open later this year.

The Ordinance requires annual licensing of all Commercial Haulers operating in Hampden, defined as an "individual, corporation, partnership or other legal entity that transports solid waste for another from within the corporate limits of the Town of Hampden for compensation, or that transports solid waste generated by its own business." All licensees are required to comply with the Ordinance in its entirety.

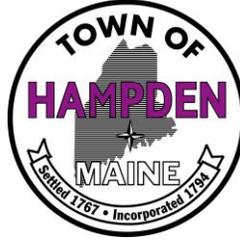
Please find enclosed an Application for Licensing. **If you or your business currently operate, and/or intend to operate as a Commercial Hauler in Hampden, you are required to obtain a license.** The Town Council will award licenses at its meeting on Monday, April 2nd. Applications received on or before Wednesday, March 28th will be reviewed at that time.

If you have any questions, please contact the Public Works Department at 862-3337 or publicworks@hampdenmaine.gov.

Thank you,

Angus Jennings
Town Manager

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).

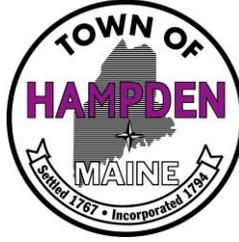
However, there is no reference to the Town Ways Ordinance nor the Subdivision Ordinance (Sec. 460) to the 15% retainage requirement, and I do not support (nor would I expect the Council would favor) looking to Sargent to provide such a guarantee.

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

C O R P O R A T I O N

Excellence for Generations.

AN EMPLOYEE OWNED COMPANY

**Town of Hampden
RECEIVED**

SEP 11 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,

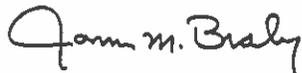
Substantial construction has been completed on East Carey Drive (Enterprise Drive) in the Hampden Business & Commerce Park, which, in general, includes mass excavation, road and ditch grading, and the installation of sewer and water, box culvert and subbase gravel. Given this progress, we are requesting 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,



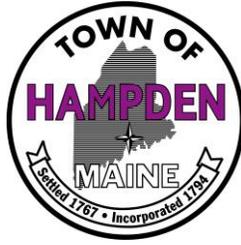
James M. Braley
Project Manger

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) 368-7367

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
Territorial Manager – Contract Surety
440 Lincoln Street - N478
Worcester, MA 01653

(via email to sdennett@hanover.com)

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,

A handwritten signature in black ink, appearing to read "Angus Jennings".

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

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



TOWN OF HAMPDEN
DEPARTMENT OF PUBLIC WORKS

106 WESTERN AVE.
HAMPDEN, ME 04444

TEL 862-3337

FAX 862-5067

March 29, 2018

To: Angus Jennings

From: Sean Currier

Subject: Recommendation to accept bid price for (2) two crosswalks on Route 1A

As previously discussed, the Hampden Water District issued a request for bids for the replacement of water main from the Route 1A/Western Avenue intersection toward Cottage Street along Route 1A. Incorporated in the plans, were the construction of (2) two proposed crosswalks. One to be located at the intersection of Route 1A and Cottage Street and the other is proposed for a crossing from the Kawanis Club to the existing sidewalk near Hannibal Hamlin Plaza. The bid prices came in at \$10,425.00, \$15,000.00 and \$17,000.00 with the lowest bid price being the apparent low bidder on the entire project.

I am recommending the award of the sidewalk portion of the work to SE Macmillan in the amount of \$10,425.00. I also recommend authorizing up to \$2000.00 for contingency for unforeseen circumstances in the field and \$6,200.00 for the purchase of the second set of rapid flashing beacons for installation included in the bid price. The funding is proposed to come from the Host Community Benefit Fund with a total request amount not to exceed \$18,625.00.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "S Currier".

Sean Currier
Director of Public Works
Town of Hampden

G 1-351-00 GENERAL FUND / HCB Revenue

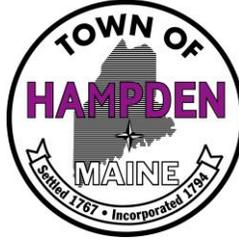
-503,522.60 = Beg Bal
0.00 = Adjust

-7,258.42 = YTD Net
0.00 = YTD Enc

-510,781.02 = Balance

Per	Jrnl	Check	Date	Vendor-----	Description-----	RCB / Type		Debits	Credits
08	0108	502761	08/16/17	00000 HAMPDEN CHIL	TO REIMBURSE INSURANCE	R	AP	675.00	0.00
09	0201		09/12/17		HOST COMM BENEFIT	R	GJ	122.50	0.00
09	0212	503041	09/20/17	00134 DRUMLIN ENVI	TECH CONSULT/PROF SERV	R	AP	4,036.00	0.00
10	0294	503185	10/11/17	00042 EMERA MAINE	MONTHLY BILLING	R	AP	68.15	0.00
10	0312	503265	10/18/17	00573 PINE TREE WA	KIWANIS TRASH	R	AP	68.83	0.00
10	0333	503341	10/25/17	01054 UNIFIRST COR	FLOOR MATS	R	AP	41.32	0.00
10	0333	503310	10/25/17	00203 HAMPDEN WATE	SEPT-DEC	R	AP	86.54	0.00
11	0376	503396	11/08/17	00042 EMERA MAINE	MONTHLY BILLING	R	AP	77.57	0.00
11	0395	503514	11/15/17	01054 UNIFIRST COR	FLOOR MATS-KIWANIS	R	AP	43.20	0.00
12	0452	503629	12/06/17	00042 EMERA MAINE	MONTHLY BILLING	R	AP	99.27	0.00
12	0498	503776	12/20/17	00417 R.H. FOSTER,	HEATING OIL-KIWANIS	R	AP	335.36	0.00
12	0498	503773	12/20/17	00573 PINE TREE WA	TRASH-KIWANIS	R	AP	68.83	0.00
12	0510	503832	12/27/17	01054 UNIFIRST COR	NOVEMBER FLOOR MATS	R	AP	44.42	0.00
12	0510	503832	12/27/17	01054 UNIFIRST COR	AUGUST FLOOR MATS	R	AP	40.14	0.00
12	0510	503832	12/27/17	01054 UNIFIRST COR	DECEMBER FLOOR MATS	R	AP	43.80	0.00
01	0516		01/03/18		01/03/2018 C/R	R	CR	0.00	4,036.00
01	0560	503883	01/11/18	00042 EMERA MAINE	MONTHLY BILLING	R	AP	257.80	0.00
01	0561	503972	01/17/18	00573 PINE TREE WA	KIWANIS TRASH - DECEMBER	R	AP	68.83	0.00
01	0598	504001	01/24/18	00000 GREENSCAPE	PLOW/SALT 12/09-12/13	R	AP	200.00	0.00
01	0598	504004	01/24/18	00203 HAMPDEN WATE	WATER	R	AP	85.80	0.00
01	0598	504002	01/24/18	00000 GREENSCAPE,	PLOW,SALT	R	AP	280.00	0.00
01	0617	504072	01/31/18	01054 UNIFIRST COR	FLOOR MATS	R	AP	44.47	0.00
01	0617	504064	01/31/18	00417 R.H. FOSTER,	OIL	R	AP	540.19	0.00
02	0635	504093	02/07/18	00042 EMERA MAINE	MONTHLY BILLING FEB	R	AP	118.44	0.00
02	0660	504200	02/14/18	01054 UNIFIRST COR	FLOOR MATS	R	AP	43.20	0.00
02	0660	504195	02/14/18	00481 TOWN OF HAMP	KIWANIS SEWER OCT-DEC	R	AP	58.00	0.00
02	0675	504220	02/21/18	01194 GREENSCAPE,	KIWANIS SALTING/PLOWING	R	AP	280.00	0.00
02	0675	504245	02/21/18	00573 PINE TREE WA	EOW TRASH	R	AP	68.83	0.00
02	0686		02/26/18		02/26/2018 C/R	R	CR	0.00	12,109.16
03	0723	504381	03/07/18	00417 R.H. FOSTER,	HEATING OIL	R	AP	258.64	0.00
03	0723	504381	03/07/18	00417 R.H. FOSTER,	HEATING OIL	R	AP	303.84	0.00
03	0741	504415	03/15/18	00042 EMERA MAINE	KIWANIS ELECT	R	AP	115.74	0.00
03	0741	504420	03/15/18	01194 GREENSCAPE,	KIWANIS SALTING/PLOWING	R	AP	200.00	0.00
03	0761	504508	03/21/18	01054 UNIFIRST COR	KIWANIS FLOOR MATS	R	AP	43.20	0.00
03	0761	504496	03/21/18	00573 PINE TREE WA	KIWANIS TRASH	R	AP	68.83	0.00
Totals-								8,886.74	16,145.16

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.

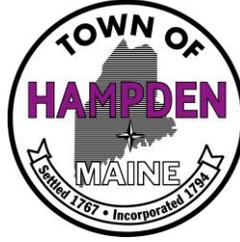
Primary Scope of Work: Interim Planning Support Services

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.

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 29, 2018
RE: Proposed staffing changes in Finance and Administration

As noted elsewhere, I intend to propose a new full-time finance/treasurer staff position in the FY19 budget.

The enclosed memo outlines the staffing structure that was in effect in 2005. If time allows at Monday's Finance meeting, I will outline the basics of my proposal. I will not be looking for any vote or recommendation from the Committee at this time, but wanted to preview this proposal so does not come as a surprise when I present my proposed FY19 budget.

TO: Hampden Town Employees
FROM: Sue Lessard, Town Manager
DATE: January 10, 2005
RE: Administration

The purpose of this memo is to provide information to all employees regarding who to see, where to turn in paperwork, etc. when dealing with the Town Office Staff. Finance Director Virgil Pratt retired from town employment effective December 20, 2004. As you know, he had been out on Family and Medical Leave for twelve weeks prior to that and at 20 hours per week from March 2004 forward.

The position of Finance Director will not be filled by a new hire. Instead, I have reassigned job responsibilities to existing Administration staff. We have been meeting weekly for more than a month to work on this and other administrative issues and will continue to do so.

Going forward, the following people will be the 'ones to see' for the following information/assistance.

PAYROLL – Janie Pitcher will have the primary responsibility for all payroll items from processing new hire paperwork, making deduction changes, resolving sick/vacation/comp questions, to processing the actual checks. In her absence, Randy Campbell will serve as her backup.

ACCOUNTS PAYABLE – Janie Pitcher will have the primary responsibility for processing of all Accounts Payable information. If you have questions on bills, payments, etc. – she is the person to contact. She will also be the one who contacts you if there are problems with bills, invoices, or account numbers. She has full authority to follow up on all accounts payable matters. In her absence, Randy Campbell will serve as her backup.

GENERAL LEDGER/ACCOUNT BALANCES – Randy Campbell will be the primary contact person for questions on balances in your individual department accounts or to request information and/or reports on these items.

INSURANCES – Randy Campbell will have the primary responsibility for processing all paperwork and providing assistance in matters of worker's compensation, property and casualty claims, disability applications, as well as health insurance, disability insurance coverage, and dental coverage. In his absence, Janie Pitcher will serve as his backup.

SEWER BILLING – Planning/CEO/Assessing should make sure to notify Kathy Cole of any new hookups to the Town Sewer resulting from subdivisions, building permits, etc. She has to build accounts for each of these and get them into our system. It makes it easier if she has that information prior to getting water district readings.

SUPPLIES/ORDERING – Kathy Cole will have the primary responsibility for maintaining the supply inventory and for ordering items. Please see her if you have items that you need and make sure to write down any items that you remove from the supply closet so that we may apportion the costs appropriately.

AMBULANCE BILLING/SOLID WASTE BILLING - Randy Campbell will have the primary responsibility for ambulance and solid waste billing for the Town. If your department has issues with either of these items – he is the person in the office to contact – and he is the person who will be contacting you if he has questions about either of these items.

COMPUTER APPLICATIONS/PROBLEMS – Randy Campbell will have the primary responsibility for computer application questions/problems affecting Trio or other administrative programs. Please see him if some aspect of these programs is not functioning properly or you have other computer needs.

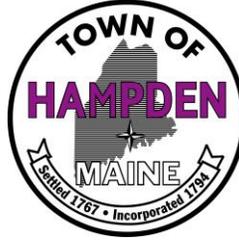
TOWN WEBSITE/CABLE TV – Denise Hodsdon will have the primary responsibility for maintaining the Town Website, assisting departments with getting their pages updated/online and be the resource person for questions related to these items. She also will serve as the coordinator for the Government Cable TV channel as we go forward with getting that up and running. More information on that will be available in the next several months.

TELEPHONE/INTERNET/HEATING/COUNCIL CHAMBERS SOUND SYSTEM – Denise Hodsdon is the person to contact if you have problems/concerns/needs in any of these areas in the Municipal Building.

MOTOR VEHICLE – Denise Hodsdon will have the responsibility for handling registration of all town-owned vehicles and you should see her with information if your department adds or subtracts a vehicle.

PLANNING/PERMITS- TAX STATUS – Please check with Cheryl Johnson to determine the property tax status of applicants for building permits. The town does have some properties in Tax Acquired status and property owners of these parcels do not have clear title to make such application without Town approval.

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 29, 2018
RE: Council / Manager Goals and Priorities

On Saturday, February 10, the Council and Town Manager met, along with a number of Department Heads, to discuss policy goals and priorities for the remainder of FY18 and for FY19.

On my request, each Councilor completed a survey to indicate, for each policy item listed in the draft priorities matrix:

- 1) Whether the Councilor thinks that item is a goal, at all; and
- 2) For those identified as goals, how each Councilor would assign a level of priority.

Goals were organized into five categories: one for each of the Council's Committees, and a fifth category for Manager Initiatives/Responsibilities. The prioritization takes into account both relative importance (Vital, Important, Optional, or Not Priority), and time (Present – FY18, Future – FY19 (and on)).

I have compiled the Councilors' responses. The attached is a summary of each item considered, with the number of Councilors who identified that item as a goal. Items shaded with green indicate that a majority of Councilors identified that item as a goal.

The second column "Council Priority?" seeks to assign a priority level to each goal. Assigning a blended priority level based on the 7 Councilors' responses was not an exact science, but this represents my best estimate of the Councils' priorities.

The third column "Manager Priority?" illustrates items that I expect will be the primary foci of my efforts for the remainder of my tenure. Please note that, while I have included some items that were not identified by four or more Councilors as goals, some of these are mandated functions (i.e. foreclosures), will happen (and take time) anyway (i.e. RSU-22 budget process, with other RSU towns), and/or will be important for management continuity through the upcoming transition. Other "baseline" i.e. mandated functions not listed here – such as incorporating FY17 Audit adjustments, finalizing the FY17 and FY16 Town Reports, etc. – will also compete for staff time with identified priorities.

Through all of this, I expect to be in a position to transfer management responsibility to a new Manager in a way that is responsible, and leaves the Town in a stronger position.

Town of Hampden Town Council / Manager Goal Setting Spring 2018

Prioritization Key:

1A - Vital/Present 1B - Important/Present 1C - Optional/Present 1D - Not Priority/Present

2A - Vital/Future 2B - Important/Future 2C - Optional/Future 2D - Not Priority/Future

	Goal? (Y/N)	Council Priority? (1A to 2D)	Manager Priority? (1A to 2D)
Finance & Administration			
Bond Issue for Route 1A project (authorization received; ant. Fall 2019; secure and oversee bond issue)	7	Present-Important	2A
Bond Issues for sewer projects (upon authorization; ant. Summer 2019; secure and oversee bond issues)	7	Present-Important	2A
Determine borrowing needs for sewer repairs identified by CCTV etc.; secure voter authorization at June referendum	6	Present-Vital	1A
Negotiate, execute new Police contract	6	Present-Vital	1A
Negotiate, execute new Fire contract	6	Present-Vital	1A
Maintain Fund Balance in 10-12% range to eliminate need for tax anticipation borrowing	6	Present-Vital / Important	1B
Update Personnel Ordinance and Policies, incl. re trainings, DOL compliance	5	Future-Important / Optional	2B
Retirement funding strategy for long-term unfunded liabilities	5	Future-Important	2B
Amend Town Charter incl. to bring ordinance amendment process in line with statute to streamline current process	5	Future-Important	2B
Service Charge litigation	4	Present-Important	1B
Solicit public and personnel input on potential change to 5-day schedule at Town Office	4	Present-Vital / Important; Future-Optional	1C
Health insurance review and re-bid	4	Future-Important / Optional	2B
Proposed renegotiation of Emera TIF	4	Future-Optional	2B
With Winterport, Newburgh and Frankfort, engage in budget and capital planning with RSU-22	3		1B
Evaluate use and potential disposition of Town-owned properties	3		
Foreclosures (if any)	2		1A
Strategic planning for Environmental Trust as long-term resource	2		
Evaluate potential for solar installations on Town buildings and/or properties	1		
Full-time Town Engineer - <i>written in by 1 Councilor</i>	1		
Full-time Code Inspector - <i>written in by 1 Councilor</i>	1		

Town of Hampden Town Council / Manager Goal Setting Spring 2018

Prioritization Key:

1A - Vital/Present 1B - Important/Present 1C - Optional/Present 1D - Not Priority/Present

2A - Vital/Future 2B - Important/Future 2C - Optional/Future 2D - Not Priority/Future

	Goal? (Y/N)	Council Priority? (1A to 2D)	Manager Priority? (1A to 2D)
Planning & Development			
Coldbrook Corners TIF District	7	Present-Vital	1A
Marijuana (recreational) - establish policies regarding land use/zoning and local licensing and inspections requirements (if not complete in FY18)	7	Present-Vital /Important	2A
Amend Business Park Covenants, Zoning	6	Present-Vital /Important	1A
Budgeting TIF funds for FY19	6	Present-Important	1B
Amend Business Park subdivision plan	5	Present-Vital /Important	1B
Zoning – Article 3 and related sections (Uses, Dimensions, Site Plan Review, Definitions etc.)	5	Future-Vital /Important	1B
Create Applicants’ Guide Book (for Site Plan, Subdivision, Code Enf., etc.)	5	Future-Important	2C
Shoreland zoning text amendments	4	Future-Important	2B
Shoreland zoning map amendments	4	Future-Important	2B
Town Center planning, and zoning ordinance and map amendments to facilitate private property investment	4	Future-Important /Optional	2C
Zoning – Housekeeping	4	Present-Important /Optional	1B
Establish coordinated public/private vision for Route 1A and riverfront north from Marina Park; amend zoning	4	Future-Optional	2C
Revise Subdivision Ordinance to update design & construction standards	4	Future-Important	2B
Research and draft impact fees ordinance (and build in as funding source in Capital Program)	4	Future-Important /Optional	2D
Environmental testing along waterfront for potential future redevelopment	3		
Loan guarantee program (TIF funded) for property improvements (building renovations only, or also new construction?) within designated priority location(s)	3		
Zoning – Earth Removal	2		
Business Park marketing materials	1		
Economic Development person - <i>written in by 1 Councilor</i>	1		
Recodification	0		

Town of Hampden Town Council / Manager Goal Setting

Spring 2018

Prioritization Key:

1A - Vital/Present 1B - Important/Present 1C - Optional/Present 1D - Not Priority/Present

2A - Vital/Future 2B - Important/Future 2C - Optional/Future 2D - Not Priority/Future

	Goal? (Y/N)	Council Priority? (1A to 2D)	Manager Priority? (1A to 2D)
Infrastructure			
Complete Capital Program FY18-23	7	Present-Vital /Important	1A
Address Town Bldg mold situation, incl. duct cleaning, public safety floors	7	Present-Vital	1B
Review sewer rates within FY19 budget process	7	Present-Vital /Important	1B
Design, procurement, construction of new Salt Shed	7	Present-Vital /Important	1A
Include insert in April sewer bill regarding proposed June referendum	7	Present-Vital /Important	1A
Physical repairs to resolve drainage problems on Schoolhouse Lane	7	Present-Important	1B
Complete GIS mapping of sewer system with sub-meter accuracy – necessary for MDOT projects	6	Present-Important	1B
Pursue Grant Funding for Sewer Inflow/Infiltration	6	Present-Vital /Important	2B
Sidewalk on Western Ave. to complete “Four Mile Square,” MDOT approval, construction	5	Future-Important / Optional	2B
Evaluate suitability of current DPW departmental structure and staffing to meet Town’s needs; including evaluating potential to outsource additional functions	5	Present-Vital /Important	2B
Plan for potential Urban Compact designation and responsibilities	5	Future-Important	2A
Pursue Grant Eligibility for Sewer – USDA Rural Development	5	Future-Important / Optional	2B
Continue to pursue MDOT support for repairs/upgrades to signal at 1A/Western Ave	4	Future-Important	2B
Secure personnel training and licensing (Class 2 licenses)	4	Present-Vital /Important	1B
Seek bids for mowing and basic grounds maintenance for 2018	4	Present-Vital /Important	1B
MS4 5 year permit - investigate need for Stormwater utility fee	4	Future-Important / Optional	2D
Route 1A reconstruction est. 2019-20, Mountainview to Western Ave., including new sidewalk	4	Present-Important	2A
Evaluate potential changes to management of Solid Waste (i.e. Transfer Station operations and layout, level of service, etc.)	4	Future-Important	2B
Watershed planning – separate stormwater plans for Shaw Brook and Sucker Brook to ensure continued DEP compliance	4	Future-Important / Optional	2C
Public informational meeting regarding Pine Tree Landfill Post Closure	3		1B
Modify Sewer Ordinance to require acceptance of deeds when new sewer lines are accepted; work on backlog of obtaining deeds for existing sewer lines	3		2B
Evaluate potential transition to LED streetlights to reduce electrical costs, enhance quality	3		
More LED lighting at Municipal Building	1		

Town of Hampden Town Council / Manager Goal Setting

Spring 2018

Prioritization Key:

1A - Vital/Present 1B - Important/Present 1C - Optional/Present 1D - Not Priority/Present

2A - Vital/Future 2B - Important/Future 2C - Optional/Future 2D - Not Priority/Future

	Goal? (Y/N)	Council Priority? (1A to 2D)	Manager Priority? (1A to 2D)
Services			
Determine whether Town will continue to pay O&M costs for Kiwanis Civic Center in FY19, and if so from Host Community Benefits or build into operating budget	7	Present-Important	1B
Recreational Facilities Planning; decide whether or not to extend Skehan Center lease and on what term and subject to what conditions, and update Capital Program	7	Present-Vital /Important	2B
Establish facilities operations and maintenance plan for public recreational facilities, including library, in coordination with partnering user groups and taxpayers	5	Present-Important; Future-Important	1B
Lura Hoit Pool site engineering; initiate DEP permitting	4	Present-Vital /Important	1B
Evaluate long-term planning for Library (i.e. current or alternate facility)	4	Future-Important / Optional	2C
Recreation Affiliated Programs - clarify terms of agreements incl. cost sharing	4	Present-Important; Future-Important	2C
Next steps toward enhancing broadband availability (if any)	4	Future-Optional	2C
Improve visibility of Papermill Park with signage on Coldbrook Road	3		1C
Public Parks – pursue grant-funded improvements as available	3		
Clarify Outdoor Facilities Ordinance (incl. whether Rules & Regulations were adopted/are needed)	3		
Continued and enhanced recognition of and support for local civic and volunteer individuals and organizations	2		
Veterans’ Honor Roll – protocols and responsibilities (with VFW)	2		
Work with civic organizations, residents and businesses to create Community Resource Guide	2		
Multi-use trails on public land, and/or creation of a Town Forest?	2		
Revisit policy regarding allowing hunting on certain Town-owned land	1		
Possible Bog Road acquisition of public rights to Souadabscook	1		
Review/Amend Harbor Ordinance	1		
Execute new Cable Franchise Agreement	1		
Create comprehensive walking trails map	1		
Community Garden at 46 Canaan Rd?	1		

Town of Hampden Town Council / Manager Goal Setting

Spring 2018

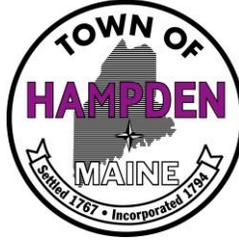
Prioritization Key:

1A - Vital/Present 1B - Important/Present 1C - Optional/Present 1D - Not Priority/Present

2A - Vital/Future 2B - Important/Future 2C - Optional/Future 2D - Not Priority/Future

	Goal? (Y/N)	Council Priority? (1A to 2D)	Manager Priority? (1A to 2D)
Manager Initiatives and/or Responsibilities			
Close out FY17 Audit	6	Present-Vital	1A
FY19 Budget	6	Present-Vital	1A
FY19 Sewer Budget	6	Present-Vital	1A
Monthly bank reconciliations	6	Present-Vital /Important	1B
FY19-23 Capital Program with short-, mid- and long-term investment priorities, and funding sources and uses, for public facilities, infrastructure, and vehicles & equipment	5	Present-Vital /Important	1A
Implement revised contracts for hauling and processing of solid waste	5	Present-Vital /Important	1B
Accept online payments (in addition to Rec/Pool) by credit/debit card	5	Present-Vital /Important	1C
Library - provide for credit / debit card payments	5	Present-Vital /Important	2C
Resolve developers' escrow accounts (20 accounts over 10+ years totaling \$79,817)	4	Future-Important	1A
Complete transition to Bangor Payroll	4	Present-Vital /Important	1B
Establish protocols and staff responsibilities relative to sale of Business Park lots	4	Future-Important /Optional	1A
Send up to two Hampden Highlights newsletters regarding various issues, incl. June referendum	4	Present-Vital /Important; Future-Important	1B
Re-do and simplify Chart of Accounts in TRIO	4	Present-Important; Future-Important	2B
Begin setting aside reserve funds for future town-wide revaluation	3		
Reorganize and reassign some financial management responsibilities	3		1B
File two outstanding bond closeout forms with MBBB (from 2010, 2014)	3		1B
Support civic organizations such as through Volunteer Open House and Community Forum	3		
Improved Department of Labor Compliance (trainings, documentation)	3		1B
Inclement weather policy	2		1B

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

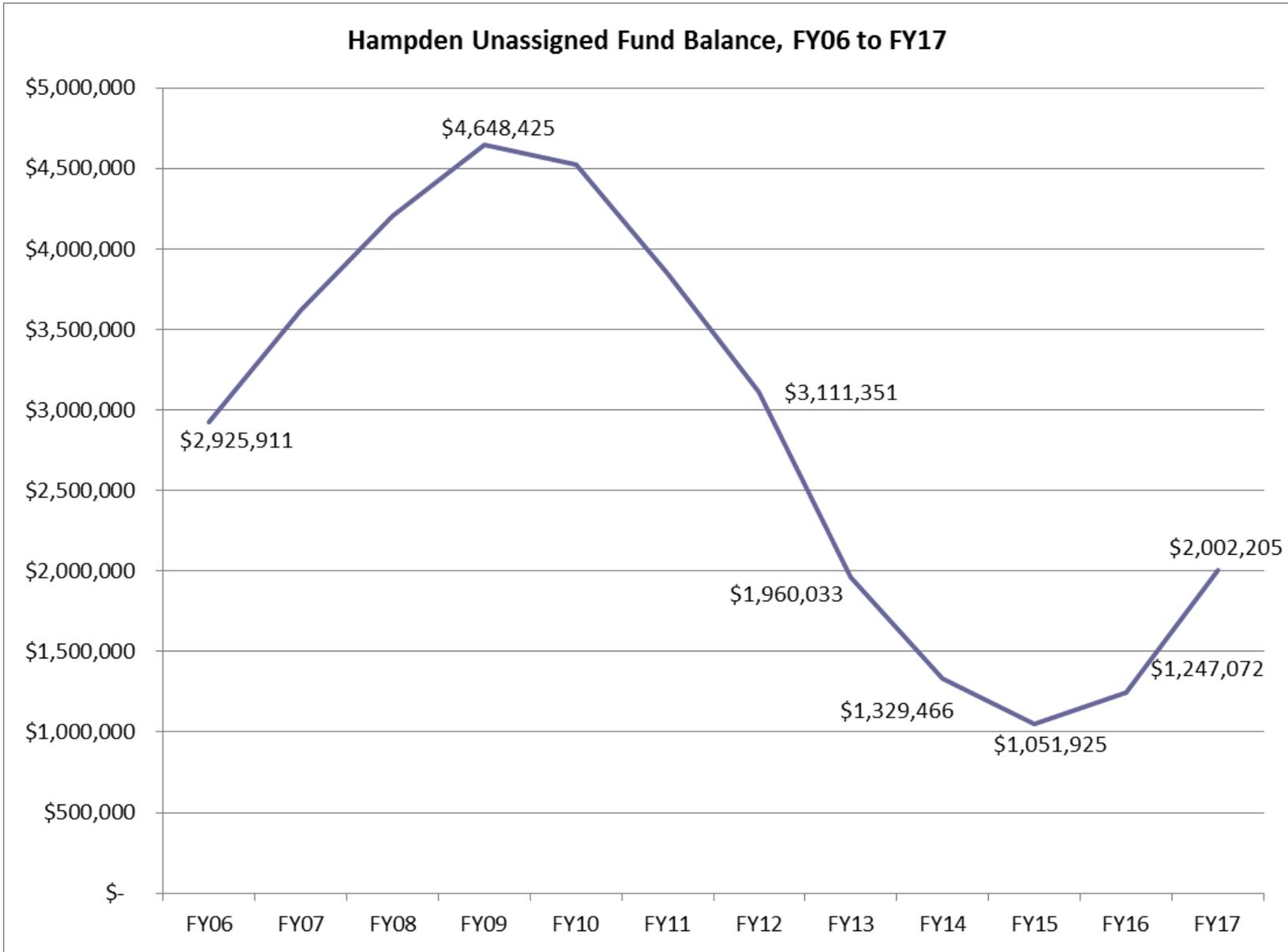
The FY17 Audit was completed this week. The Town's independent auditor, James Wadman, CPA, will attend Monday's Finance Committee and Council meetings in order to present the FY17 Audit, a copy of which is enclosed.

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.

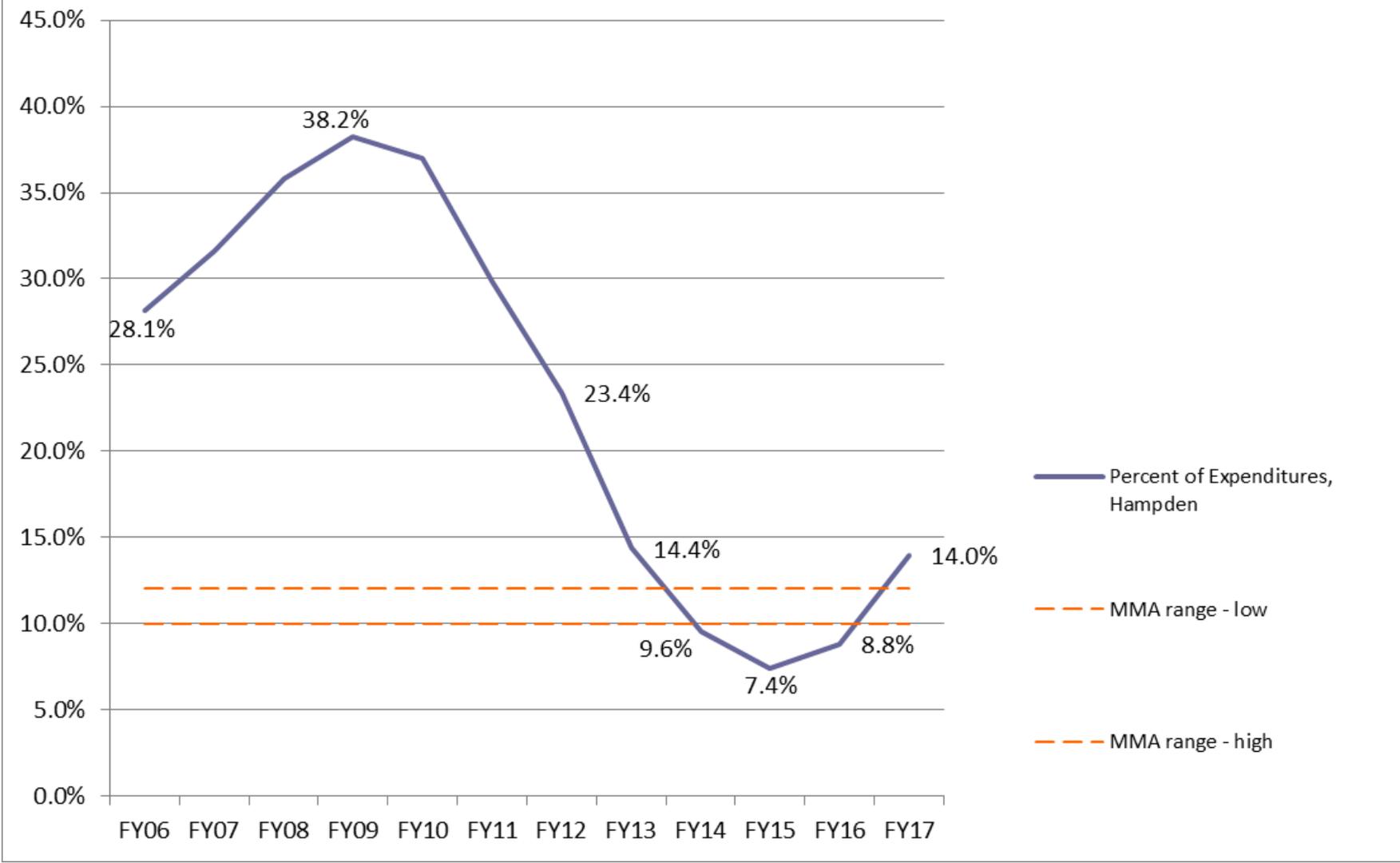


Note: Unassigned Fund Balance includes year-end balances in Host Community Benefits account.

Source: Angus Jennings, Town Manager

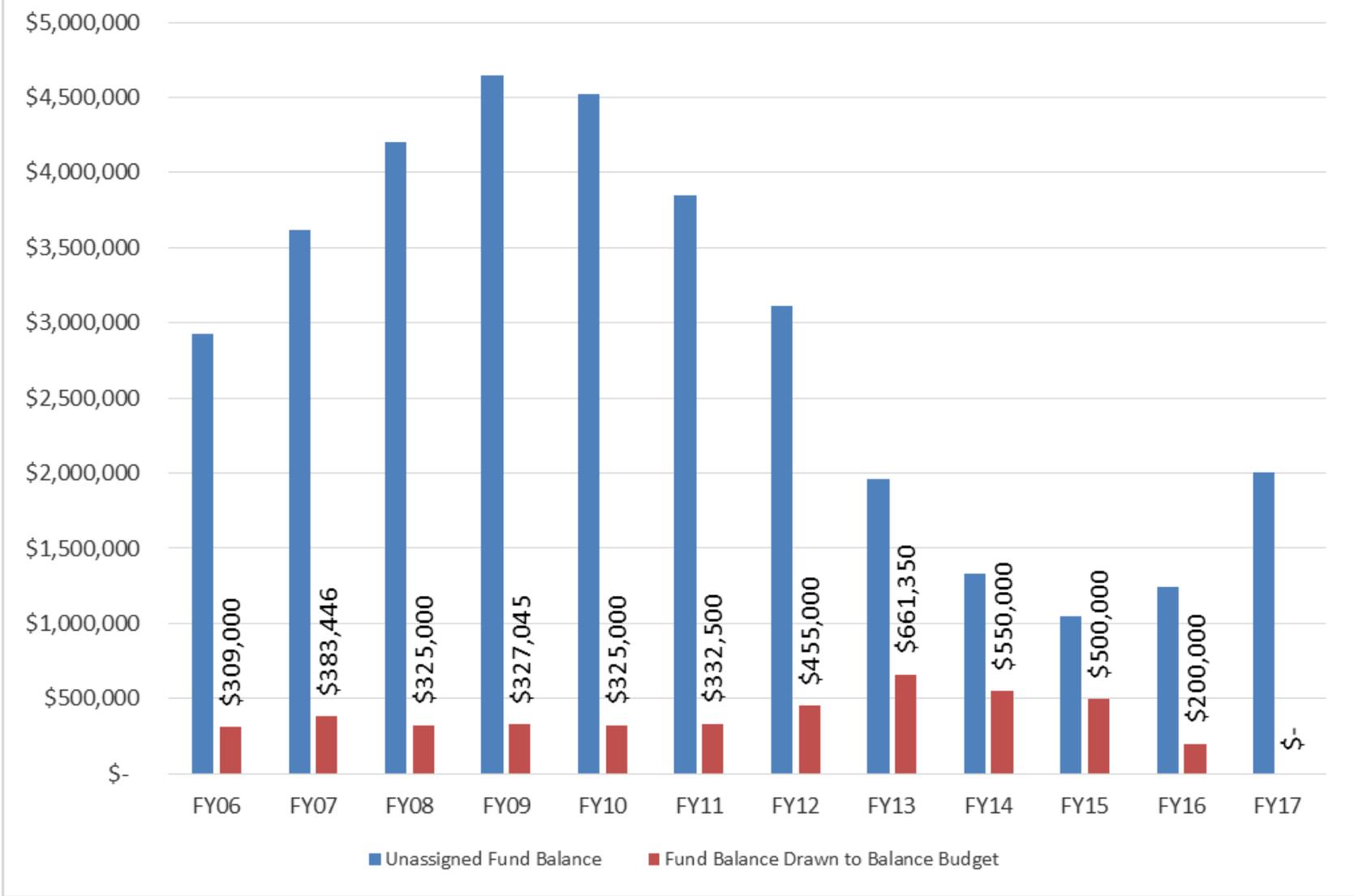
Data sources: Town of Hampden Audits

Hampden Unassigned Fund Balance as Percent of Budget, FY06 to FY17



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

Hampden Fund Balance Trends FY06 to FY17



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

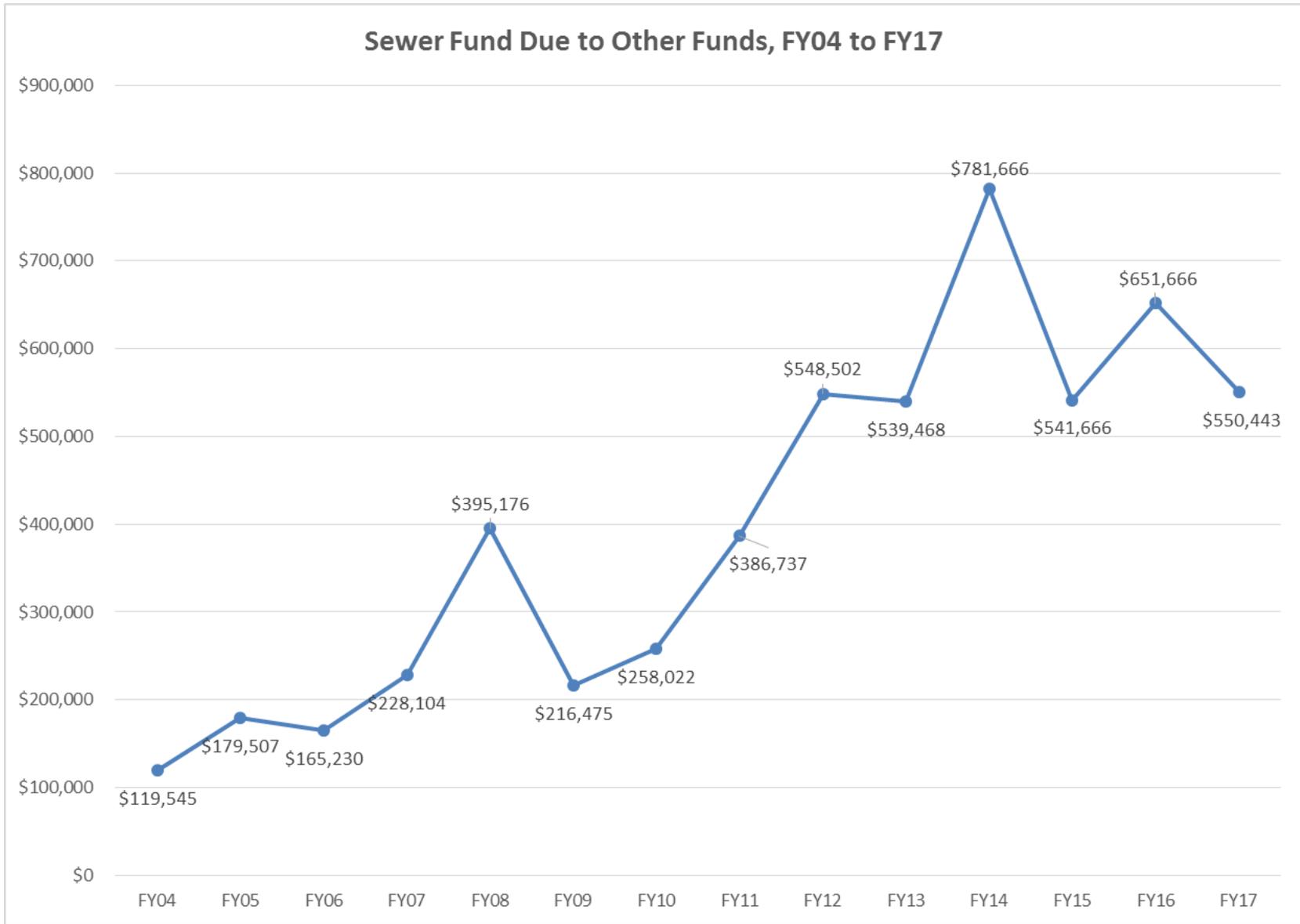
Sewer Net Income (Loss) Before Contributions and Transfers, FY04-FY17 Town of Hampden



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.

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.

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.

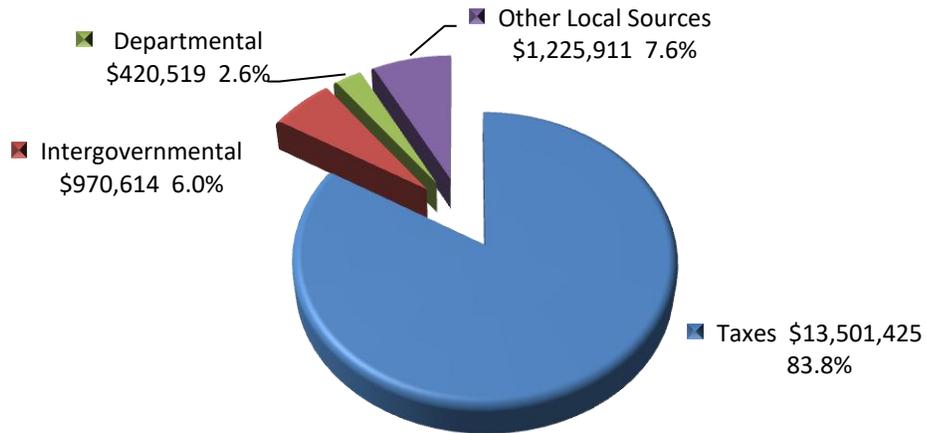
	Governmental Activities	Business-like Activities	Total 2017	Total 2016
Current Assets	4,868,779	(384,561)	4,484,218	3,091,702
Capital Assets	17,590,735	7,048,455	24,639,190	25,755,511
Total Assets	22,459,514	6,663,894	29,123,408	28,847,213
Total Deferred Outflows of Resources	543,387		543,387	483,103
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

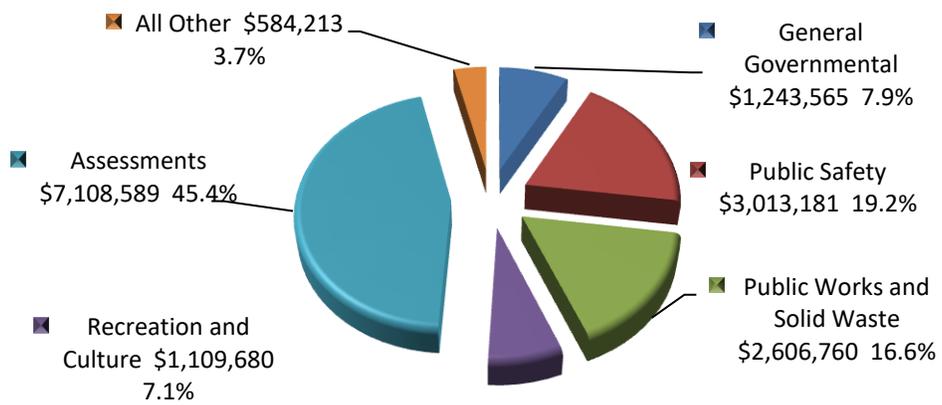
Approximately 79 percent of the Town's total revenue came from property and excise taxes, approximately 6 percent came from State subsidies and grants, and approximately 15 percent came from services, investment earnings and other sources. Depreciation expense on the Town's governmental and business-like 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)

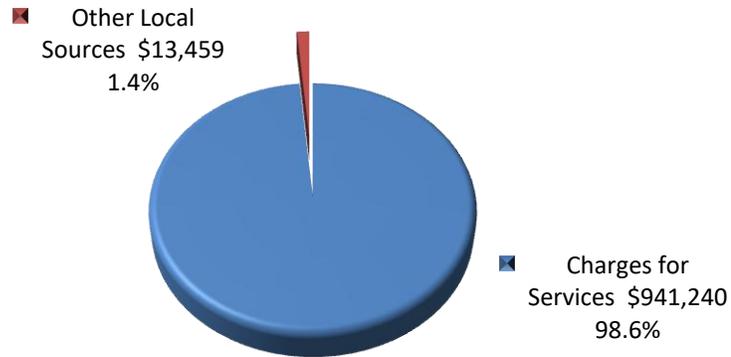
Revenues By Source - Governmental Activities



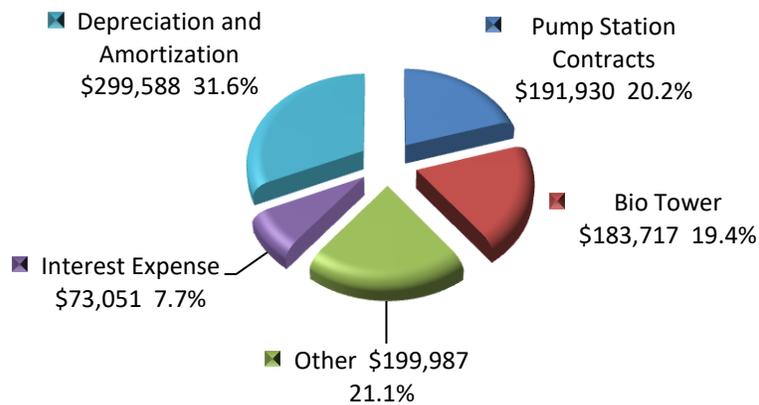
Expenditures By Source - Governmental Activities



Revenues By Source - Business-type Activities



Expenditures By Source - Business-type Activities



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 from 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
STATEMENT OF NET POSITION
JUNE 30, 2017

Exhibit A

	<i>Governmental</i>	<i>Business-Type</i>	<i>Total</i>
	<i>Activities</i>	<i>Activities</i>	
Assets			
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

<u>Functions/Programs</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>		
	<u>Expenses</u>	<u>Fees, Fines, and</u>	<u>Operating</u>	<u>Governmental</u>	<u>Business-like</u>	<u>Total</u>
<u>Charges for</u>		<u>Grants</u>	<u>Activities</u>			
<u>Primary Government</u>						
<u>Governmental Activities</u>						
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)
<u>Business-type Activities</u>						
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)
<u>General Revenues:</u>						
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
<u>Changes in Net Position</u>				452,481	6,426	458,907
<u>Net Position - Beginning</u>				18,121,663	3,226,355	21,348,018
<u>Net Position - Ending</u>				18,574,144	3,232,781	21,806,925

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

TOWN OF HAMPDEN
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2017

Exhibit C
Page 1 of 2

<i>Assets</i>	<i>General Fund</i>	<i>Other Governmental Funds</i>	<i>Total</i>
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
<i>Total Assets</i>	<u>3,906,682</u>	<u>1,163,462</u>	<u>5,070,144</u>
 <i>Liabilities</i>			
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
<i>Total Liabilities</i>	<u>544,212</u>	<u>9,310</u>	<u>553,522</u>
 <i>Deferred Inflows of Resources:</i>			
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
<i>Total Deferred Inflows of Resources</i>	<u>292,973</u>	<u>-</u>	<u>292,973</u>
 <i>Fund Balances</i>			
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
<i>Total Fund Balances</i>	<u>3,069,497</u>	<u>1,154,152</u>	<u>4,223,649</u>
 <i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>3,906,682</u>	<u>1,163,462</u>	<u>5,070,144</u>

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)
	<hr/>
Net Position of Governmental Activities	<u><u>18,574,144</u></u>

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

Exhibit D
Page 1 of 2

	<i>General Fund</i>	<i>Other Governmental Funds</i>	<i>Total Governmental Funds</i>
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)
	<hr/>
Change in net position of governmental activities	<u><u>452,481</u></u>

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

TOWN OF HAMPDEN
STATEMENT OF NET POSITION - PROPRIETARY FUND
JUNE 30, 2017

Exhibit E

	<i>Sewer Enterprise</i>
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
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN PROPRIETARY NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2017

Exhibit F

	<i>Budget</i>	<i>Sewer Enterprise</i>	<i>Variance Favorable (Unfavorable)</i>
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
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

Exhibit G

	<u>Sewer Enterprise</u>
Cash Flows from Operating Activities;	
Received from Customers	941,240
Payments to Suppliers	(503,309)
Payments to Employees	(60,000)
Other Receipts (Payments)	<u>(429,717)</u>
Net Cash Provided by (Used in) Operating Activities	<u>(51,786)</u>
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	<u>(73,051)</u>
Net Cash Used in Capital and Related Financing Activities	<u>110,256</u>
Cash Flows from Investing Activities	
Net Purchases / Sales of Investments	6,737
Interest and Dividends	<u>12,201</u>
Net Cash Provided by (Used in) Investing Activities	<u>18,938</u>
Net Increase (Decrease) in Cash and Cash Equivalents	77,408
Balances - beginning of the year	<u>28,801</u>
Balances - end of the year	<u><u>106,209</u></u>
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	<u>(101,173)</u>
Net Cash Provided by (Used in) Operating Activities	<u><u>(51,786)</u></u>

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

TOWN OF HAMPDEN
STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS
JUNE 30, 2017

Exhibit H

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

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

TOWN OF HAMPDEN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

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.

TOWN OF HAMPDEN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

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.

TOWN OF HAMPDEN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

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.

TOWN OF HAMPDEN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

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:

<u>Assets</u>	<u>Years</u>
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.

TOWN OF HAMPDEN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

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.

TOWN OF HAMPDEN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

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	Other			
	Fund	Governmental			
		Funds	Total		
<u><i>Nonspendable</i></u>					
Dyer Library Principal		257,242	257,242		
Cemetery Principal		56,918	56,918		
Diane Marshall Book Fund Principal		200	200		
<u><i>Restricted</i></u>					
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		
<u><i>Committed</i></u>					
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		
<u><i>Assigned</i></u>					
Dyer Library		140,324	140,324		
Cemetery		32,892	32,892		
Diane Marshall Book Fund		276	276		
Encumbrances	178,940		178,940		
<u><i>Unassigned</i></u>					
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		

TOWN OF HAMPDEN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

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.

TOWN OF HAMPDEN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

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:

<i>Type</i>	<i>Fair Value</i>	<i>Maturities in Years</i>				<i>Credit Rating</i>	
		<i>< 1</i>	<i>1-5</i>	<i>6-10</i>	<i>> 10</i>	<i>S&P</i>	<i>Moody's</i>
<i>General Town</i>							
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	-	-		
<i>Environmental Trust</i>							
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.

TOWN OF HAMPDEN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

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)		<u>18.20</u>
Commitment		<u>11,430,790</u>
Appropriations		14,948,801
Less:		
State Municipal Revenue Sharing	377,135	
Estimated Revenues	2,812,698	
BETE Reimbursement	80,321	
Homestead Reimbursement	<u>247,857</u>	
		<u>3,518,011</u>
Net Assessment for Commitment		<u>11,430,790</u>

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

TOWN OF HAMPDEN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

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;				
<i>Capital assets not being depreciated</i>				
Land	1,656,858			1,656,858
 <i>Capital assets being depreciated</i>				
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
<i>Total capital assets being depreciated</i>	40,966,424	583,777	(127,000)	41,423,201
 <i>Less accumulated depreciation for</i>				
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
<i>Total accumulated depreciation</i>	24,202,682	1,368,134	(81,492)	25,489,324
<i>Net capital assets being depreciated</i>	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

**TOWN OF HAMPDEN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017**

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

D. Capital Assets (continued)

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

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

<u>Governmental Activities</u>	
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	<u>1,368,134</u>

TOWN OF HAMPDEN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

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:

	<i>Interfund Receivable</i>	<i>Interfund Payable</i>
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
	<u>751,808</u>	<u>751,808</u>
Totals	<u><u>751,808</u></u>	<u><u>751,808</u></u>

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:

	<i>Transfers From</i>	<i>Transfers To</i>
General Fund	5,000	433,964
Special Revenue Funds	5,447	
Capital Projects	432,517	
Trust Funds		9,000
Totals	<u>442,964</u>	<u>442,964</u>

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.

TOWN OF HAMPDEN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

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:

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

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:

<i>Purpose</i> <i>Proprietary</i>	<i>Maturity</i> <i>Date</i>	<i>Interest</i> <i>Rate</i>	<i>Amount</i>
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
			<u>3,372,663</u>

<i>General Obligation</i>	<i>Maturity</i> <i>Date</i>	<i>Interest</i> <i>Rate</i>	<i>Amount</i>
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
			<u>2,059,000</u>

TOWN OF HAMPDEN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

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

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

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

**TOWN OF HAMPDEN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017**

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:

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

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.

**TOWN OF HAMPDEN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017**

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:

<i>For the year ended</i>	<i>Employee</i>	<i>Employer</i>	<i>Applicable</i>			
<i>June 30,</i>	<i>Contributions</i>	<i>Contributions</i>	<i>Member</i>			
			<i>Compensation</i>			
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

TOWN OF HAMPDEN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

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:

	<i>Deferred Outflows of Resources</i>	<i>Deferred Inflows of Resources</i>
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	
	<u>543,387</u>	<u>478,352</u>

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

<i>Year ended June 30,</i>						
2018		<u>(61,185)</u>				
2019		<u>63,563</u>				
2020		<u>6,567</u>				
2021		<u>(66,646)</u>				

**TOWN OF HAMPDEN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017**

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.

TOWN OF HAMPDEN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 4 - OTHER INFORMATION (Continued)

A. Defined Benefit Employee Pension Plan (continued)

<i>Asset Class</i>	<i>Target Allocation</i>	<i>Long-Term Expected Real Rate of Return</i>	
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%	
	<u>100%</u>		

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.

	<i>1% Decrease</i> <i>(5.875%)</i>	<i>Current Discount</i> <i>Rate (6.875%)</i>	<i>1% Increase</i> <i>(7.875%)</i>
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.mainebers.org or contacting the System at (207) 512-3100.

TOWN OF HAMPDEN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

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:

TOWN OF HAMPDEN
NOTES TO THE FINANCIAL STATEMENTS
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
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

Exhibit J

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance Favorable (Unfavorable)</i>
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
<i>Excess Revenues Over Expenditures</i>	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
<i>Unassigned Fund Balance - July 1</i>			1,015,082	
Host Community Benefit			503,523	
Unassigned Fund Balance - June 30			2,002,205	

TOWN OF HAMPDEN
REQUIRED SUPPLEMENTARY INFORMATION
PENSION PLAN SCHEDULES - LAST 10 FISCAL YEARS
FOR THE YEAR ENDED JUNE 30, 2017

Exhibit K

<u>Schedule 1 - Proportionate Share of the Net Pension Liability</u>	Participating Local Districts Plan		
	<i>For the Fiscal Year Ended June 30, 2017</i>	<i>For the Fiscal Year Ended June 30, 2016</i>	<i>For the Fiscal Year Ended June 30, 2015</i>
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	<u>\$2,358,409,925</u>	<u>\$2,401,889,308</u>	<u>\$2,455,776,671</u>
Plan Net Pension Liability	<u>\$531,330,709</u>	<u>\$319,046,701</u>	<u>\$153,881,174</u>
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:

	<i>For the Fiscal Year Ended June 30, 2017</i>	<i>For the Fiscal Year Ended June 30, 2016</i>	<i>For the Fiscal Year Ended June 30, 2015</i>
Contractually required contribution	\$122,738	\$117,929	\$106,968
Contribution in relation to the contractually required contribution	<u>(\$122,738)</u>	<u>(\$117,929)</u>	<u>(\$106,968)</u>
Contribution deficiency	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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.

**TOWN OF HAMPDEN
NOTES TO HISTORICAL PENSION INFORMATION
MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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:

	<u>PLD Plan</u>
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**

**Exhibit A-1
Page 1 of 2**

	<i>Estimated</i>	<i>Actual</i>	<i>Over (Under) Budget</i>
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
	<u>13,255,299</u>	<u>13,468,411</u>	<u>213,112</u>
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)
	<u>572,608</u>	<u>572,976</u>	<u>368</u>
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
	<u>382,895</u>	<u>420,519</u>	<u>37,624</u>

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

**Exhibit A-1
Page 2 of 2**

	<i>Estimated</i>	<i>Actual</i>	<i>Over (Under) Budget</i>
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
	<u>259,232</u>	<u>277,734</u>	<u>18,502</u>
Operating Transfers In			
Municipal Revenue Sharing	377,135	377,135	-
Cemetery Reserve	5,000	5,000	-
	<u>382,135</u>	<u>382,135</u>	<u>-</u>
Total Revenues and Transfers	14,852,169	<u>15,121,775</u>	<u>269,606</u>
Beginning Fund Balance Used To Reduce Tax Commitment	<u>-</u>		
Total	<u>14,852,169</u>		

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

Exhibit A-2
Page 1 of 2

	<i>Encumbered From 6/30/16</i>	<i>Appropriations</i>	<i>Expenditures Net of Refund</i>	<i>Encumbered To 6/30/18</i>	<i>Under Budget</i>
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

Exhibit A-2
Page 2 of 2

	<i>Encumbered From 6/30/16</i>	<i>Appropriations</i>	<i>Expenditures Net of Refund</i>	<i>Encumbered To 6/30/18</i>	<i>(Over) Under Budget</i>
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
		<u>7,214,495</u>	<u>7,108,589</u>	-	<u>105,906</u>
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		-
		<u>506,517</u>	<u>506,517</u>		-
Totals		<u>54,224</u>	<u>14,852,169</u>	<u>178,940</u>	<u>213,994</u>

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

Exhibit A-3

Unassigned Fund Balance, July 1	1,015,082	
Unassigned Fund Balance, June 30	<u>1,498,682</u>	
Increase (Decrease)		<u><u>483,600</u></u>

Analysis of Change

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

***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	<u>503,523</u>	
Total Unassigned Fund Balance Exhibit C		<u><u>2,002,205</u></u>

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

<i>Assets</i>	<i>Municipal Revenue Sharing</i>	<i>Town Reserves</i>	<i>Voting Machine</i>	<i>Recreation</i>	<i>Bronco Youth Football</i>
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
 <i>Liabilities & Fund Balances</i>					
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**

*Exhibit A-4
Page 2 of 2*

<i>Assets</i>	<i>Bronco Travel Basketball</i>	<i>Bronco Little League</i>	<i>Host Community Benefit</i>	<i>Lura Hoit Enterprise</i>	<i>Lura Hoit Pool</i>	<i>Totals</i>
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
 <i>Liabilities & Fund Balances</i>						
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
ALL GENERAL RESERVES
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017

	<i>Municipal Revenue Sharing</i>	<i>Town Reserves</i>	<i>Fire Training School</i>	<i>Voting Machine Recreation</i>	<i>Bronco Youth Football</i>
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
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
Excess of Revenues Over (Under) Expenditures	379,813	(88,740)	(4,061)	-	116,544
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
Fund Balance - July 1	152,666	138,437	4,061	18,492	224,665
Fund Balance - June 30	155,344	122,250	-	18,492	341,209

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

Exhibit A-5
Page 2 of 2

	<i>Bronco Travel Basketball</i>	<i>Bronco Little League</i>	<i>Host Community Benefit</i>	<i>Lura Hoit Enterprise</i>	<i>Lura Hoit Pool</i>	<i>Totals</i>
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

<i>Reserve Fund</i>	<i>Balance July 1</i>	<i>Revenues</i>	<i>Interest</i>	<i>Increase (Decrease) In Fair Value</i>	<i>Transfers In</i>	<i>Expenditures</i>	<i>Transfers Out</i>	<i>Balance June 30</i>
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

Exhibit B-1
Page 1 of 2

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

Exhibit B-1
Page 2 of 2

<i>Assets</i>	<i>Lura Hoit Pool Scholarship</i>	<i>Maine Community Foundation</i>	<i>Wellness Fund</i>	<i>Pink Garden</i>	<i>Katahdin Trust Partnership</i>	<i>EVOC Equipment Grant</i>	<i>Maine Community Heritage Grant</i>	<i>Totals</i>
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
 <i>Liabilities & Fund Balances</i>								
<i>Liabilities</i>								
Due to Other Funds			321					968
Total Liabilities	-	-	321	-	-	-	-	968
 <i>Fund Balances</i>								
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

Exhibit B-2
Page 1 of 3

	<i>Pool Donation</i>	<i>Public Safety Donation</i>	<i>Hampden Bus. Assoc. Fund</i>	<i>Scene Lights Grant</i>	<i>Trail Signs</i>	<i>Library Fund</i>	<i>Library Grant</i>
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**

**Exhibit B-2
 Page 2 of 3**

	<i>Flag Project</i>	<i>Rescue Equipment</i>	<i>Children's Day Raffle</i>	<i>Turnout Gear Extractor</i>	<i>Lura Hoit Pool Scholarship</i>	<i>Maine Community Foundation</i>	<i>Wellness Fund</i>
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

Exhibit B-2
Page 3 of 3

	<i>Pink Garden</i>	<i>Katahdin Trust Partnership</i>	<i>MRPA Tickets</i>	<i>EVOC Equipment Grant</i>	<i>Maine Community Heritage Grant</i>	<i>Totals</i>
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
ALL CAPITAL PROJECTS FUNDS
BALANCE SHEET
JUNE 30, 2017

Exhibit C-1

	<i>Mayo Road</i>	<i>Capital Improvement Program</i>	<i>Totals</i>
<i>Assets</i>			
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
<i>Liabilities & Fund Balances</i>			
<i>Liabilities</i>			
Accounts Payable		1,694	1,694
Due To Other funds			-
Total Liabilities	-	1,694	1,694
<i>Fund Balances</i>			
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
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL CAPITAL PROJECT FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

Exhibit C-2

	<i>Mayo Road</i>	<i>Capital Improvement Program</i>	<i>Totals</i>
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

<i>Reserve Fund</i>	<i>Balance July 1</i>	<i>Revenues</i>	<i>Interest</i>	<i>Increase (Decrease) In Fair Value</i>	<i>Transfers In</i>	<i>Expenditures</i>	<i>Transfers Out</i>	<i>Balance June 30</i>
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

<i>Assets</i>	<i>Dyer Library</i>	<i>Cemetery</i>	<i>Diane Marshall Book Fund</i>	<i>Totals</i>
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
 <i>Liabilities & Fund Balances</i>				
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
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL PERMANENT FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

Exhibit D-2

	<i>Dyer Library</i>	<i>Cemetery</i>	<i>Diane Marshall Book Fund</i>	<i>Totals</i>
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