

Audited Financial Statements

County of Androscoggin, Maine

December 31, 2014



*Proven Expertise and Integrity*

COUNTY OF ANDROSCOGGIN, MAINE

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DECEMBER 31, 2014

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## INDEPENDENT AUDITORS' REPORT

Board of Commissioners  
County of Androscoggin  
Auburn, Maine

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the County of Androscoggin, Maine, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the County'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.

### Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express 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.

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

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the County of Androscoggin, Maine, Maine as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Other Matters

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 through 11 and 37 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

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

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

*RHR Smith & Company*

Buxton, Maine  
March 22, 2015

**REQUIRED SUPPLEMENTARY INFORMATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2014**

**(UNAUDITED)**

The following management's discussion and analysis of County of Androscoggin, Maine's financial performance provides an overview of the County's financial activities for the year ended December 31, 2014. Please read it in conjunction with the County's financial statements.

**Financial Statement Overview**

The County of Androscoggin's basic financial statements include the following components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes required supplementary information which consists of the general fund budgetary comparison schedule.

**Basic Financial Statements**

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

**Government-Wide Financial Statements**

The government-wide financial statements provide a broad view of the County's operations in a manner that is similar to private businesses. These statements provide both short-term as well as long-term information in regards to the County's financial position. These financial statements are prepared using the accrual basis of accounting. This measurement focus takes into account all revenues and expenses associated with the fiscal year regardless of when cash is received or paid. The government-wide financial statements include the following two statements:

The Statement of Net Position – this statement presents *all* of the government's assets and liabilities with the difference being reported as net position.

The Statement of Activities – this statement presents information that shows how the government's net position changed during the period. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows.

The types of activities presented for the County of Androscoggin are:

- *Governmental activities* – The activities in this section are mostly supported by taxes and intergovernmental revenues (federal and state grants). All of the County's basic services are reported in governmental activities, which include County Treasurer, Registry of Deeds, Registry of Probate, jail, buildings, Sheriff, and County Commissioners and other unclassified.

### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County of Androscoggin, like other local governments uses fund accounting to ensure and demonstrate compliance with financial related legal requirements. All of the funds of the County of Androscoggin can be divided into two categories: governmental funds and fiduciary funds.

*Governmental funds:* All of the basic services provided by the County are financed through governmental funds. Governmental funds are used to account for essentially the same functions reported in governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources. They also focus on the balance of spendable resources available at the end of the fiscal year. Such information will be useful in evaluating the government's near-term financing requirements. This approach is known as the current financial resources measurement focus and the modified accrual basis of accounting. Under this approach revenues are recorded when cash is received or when susceptible to accrual. Expenditures are recorded when liabilities are incurred and due. These statements provide a detailed short-term view of the County's finances to assist in determining whether there will be adequate financial resources available to meet the current needs of the County.

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



The County of Androscoggin presents four columns in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances. The County's major governmental funds are the general fund, jail fund and deeds surcharge fund. All other funds are shown as nonmajor and are combined in the "Other Governmental Funds" column on these statements.

The general fund and jail fund are the only funds for which the County legally adopted a budget. The Budgetary Comparison Schedule – Budgetary Basis – Budget and Actual – General Fund provides a comparison of the original and final budget and the actual expenditures for the current year.

*Fiduciary Funds:* These funds are used to account for resources held for the benefit of parties outside the County of Androscoggin. These funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the County's own programs. The accounting used for fiduciary funds are much like that of proprietary funds. They use the accrual basis of accounting.

### **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 Financial Statements can be found following the Fiduciary Fund Financial Statements.

### **Required Supplementary Information**

The basic financial statements are followed by a section of required supplementary information, which includes a Budgetary Comparison Schedule – Budgetary Basis – Budget and Actual – General Fund.

### **Other Supplementary Information**

Other supplementary information follows the required supplementary information. These combining and other schedules provide information in regards to nonmajor funds, capital asset activity and other detailed budgetary information for the general fund.

## Government-Wide Financial Analysis

Our analysis below focuses on the net position, and changes in net position of the County's governmental activities. The County's total net position decreased by \$139,538 from \$3,474,109 to \$3,334,571.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements - decreased to a balance of \$1,267,029 at the end of this year.

**Table 1**  
**County of Androscoggin, Maine**  
**Net Position**  
**December 31,**

	<b>2014</b>	<b>2013</b>
<b>Assets:</b>		
Current and Other Assets	\$ 2,482,975	\$ 2,600,910
Capital Assets	1,468,467	1,472,442
Total Assets	3,951,442	4,073,352
<b>Liabilities:</b>		
Current Liabilities	216,644	262,940
Long-term Debt Outstanding	400,227	336,303
Total Liabilities	616,871	599,243
<b>Net Position:</b>		
Net Investment in Capital Assets	1,356,603	1,372,384
Restricted	710,939	767,087
Unrestricted	1,267,029	1,334,638
Total Net Position	\$ 3,334,571	\$ 3,474,109

### Revenues and Expenses

Revenues for the County's governmental activities increased by 1.42%, while total expenses increased by 2.91%.

**Table 2**  
**County of Androscoggin, Maine**  
**Change in Net Position**  
**For The Years Ended December 31,**

	<u>2014</u>	<u>2013</u>
<b>Revenues</b>		
<i>Program Revenues:</i>		
Charges for services	\$ 1,427,514	\$ 1,500,249
Operating grants and contributions	1,626,984	1,484,866
<i>General Revenues:</i>		
Taxes	8,071,848	7,992,918
Other grants/contracts	323,886	327,584
Interest income	8,728	12,344
Miscellaneous	98,855	77,891
Total Revenues	<u>11,557,815</u>	<u>11,395,852</u>
<b>Expenses</b>		
Superior Court	26,616	18,549
District Attorney	410,725	418,681
County Commissioners	135,436	163,232
County Treasurer	224,340	132,102
County Buildings	337,387	297,077
Jail (Support of Prisoners)	5,785,016	5,770,737
Human Resources	1,793	654
Register of Deeds	319,231	239,275
Register of Probate	132,163	135,258
Auditing	11,300	12,400
Sheriff	1,315,559	1,252,239
Extension Service	43,782	43,782
Employee Benefits	1,571,204	1,508,353
Soil Conservation	13,000	12,000
Communications	452,235	479,095
Insurances	72,539	134,414
Emergency Management Agency	191,156	193,809
Civil Process	171,222	164,655
Telecommunications	74,639	42,301
Contingency	3,000	-
Special projects/reserved	367,476	310,650
Interest on long-term debt	31,069	36,785
Unallocated depreciation (Note 4)	6,465	-
Total Expenses	<u>11,697,353</u>	<u>11,366,048</u>
Change in Net Position	(139,538)	29,804
Net Position - January 1	<u>3,474,109</u>	<u>3,444,305</u>
Net Position - December 31	<u>\$ 3,334,571</u>	<u>\$ 3,474,109</u>

## Financial Analysis of the County's Fund Statements

*Governmental funds:* The financial reporting focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information may be useful in assessing the County's financial requirements. In particular, unassigned fund balance may serve as a useful measure of a government's financial position at the end of the year, and the net resources available for spending.

**Table 3**  
**County of Androscoggin, Maine**  
**Fund Balances - Governmental Funds**  
**December 31,**

	<b>2014</b>	<b>2013</b>
General Fund:		
Nonspendable	\$ 2,700	\$ -
Restricted	107,372	107,361
Assigned	984,238	1,193,653
Unassigned	438,340	299,476
Total General Fund	\$ 1,532,650	\$ 1,600,490
Jail Fund:		
Restricted	\$ 283,017	\$ 297,362
Total Jail Fund	\$ 283,017	\$ 297,362
Deeds Surcharge Fund:		
Restricted	\$ 251,107	\$ 340,330
Total Deeds Surcharge Fund	\$ 251,107	\$ 340,330
Nonmajor Funds:		
Special Revenue Funds:		
Restricted	\$ 69,443	\$ 22,034
Assigned	31,998	38,121
Unassigned	(1,453)	(10,608)
Total Nonmajor Funds	\$ 99,988	\$ 49,547

The general fund total fund balance decreased by \$67,840 from the prior fiscal year. The jail fund decreased by \$14,345 from the prior fiscal year. The deeds surcharge fund decreased by \$89,223. The non-major fund balances increased by \$50,441 from the prior fiscal year.

## Budgetary Highlights

There was no significant difference between the original and final budget for the general fund.

The general fund actual revenues were over budget by \$111,771. This was mostly a result of charges for services.

The general fund actual expenditures were under budget by \$333,637. All expenditure categories were under budget with the exception of superior court, county treasurer, county buildings, communications, civil process and telecommunications.

### Capital Asset and Debt Administration

#### Capital Assets

As of December 31, 2014, the net book value of capital assets recorded by the County decreased by \$3,975 over the prior year. The decrease was due to capital additions of \$89,735 less current year depreciation expense of \$93,710.

**Table 4**  
**County of Androscoggin, Maine**  
**Capital Assets (Net of Depreciation)**  
**December 31,**

	<u>2014</u>	<u>2013</u>
Land	\$ 809,900	\$ 809,900
Construction in progress	25,834	25,834
Buildings and improvements	174,152	181,752
Vehicles	128,463	162,481
Machinery & equipment	307,167	267,885
Furniture & fixtures	<u>22,951</u>	<u>24,590</u>
Total	<u>\$ 1,468,467</u>	<u>\$ 1,472,442</u>

#### Debt

At December 31, 2014, the County had no bonds outstanding. Other long-term obligations included capital leases payable and accrued compensated absences. Refer to Note 5 of Notes to Financial Statements for more detailed information.

## **Currently Known Facts, Decisions or Conditions**

### **Economic Factors and Next Year's Budgets and Rates**

The County's unassigned fund balance has fallen below a level sufficient to sustain government operations for a period of approximately two months. The County is working to rebuild this balance to a sufficient level.

### **Requests for Information**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County Treasurer's Office at 2 Turner Street, Auburn, Maine 04210.

COUNTY OF ANDROSCOGGIN, MAINE

STATEMENT A

STATEMENT OF NET POSITION  
DECEMBER 31, 2014

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 2,193,586
Accounts receivable (net of allowance for uncollectibles)	125,660
Due from other governments	161,029
Prepaid expenses	2,700
Total current assets	<u>2,482,975</u>
Noncurrent assets:	
Capital assets:	
Land and other assets not being depreciated	835,734
Depreciable assets, net of accumulated depreciation	632,733
Total noncurrent assets	<u>1,468,467</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 3,951,442</u></u>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	\$ 101,471
Accrued payroll	76,185
Due to other governments	9,730
Current portion of long-term obligations	29,258
Total current liabilities	<u>216,644</u>
Noncurrent liabilities:	
Noncurrent portion of long-term obligations:	
Capital leases payable	82,606
Accrued compensated absences	317,621
Total noncurrent liabilities	<u>400,227</u>
<b>TOTAL LIABILITIES</b>	<u>616,871</u>
<b>NET POSITION</b>	
Net investment in capital assets	1,356,603
Restricted	710,939
Unrestricted	1,267,029
<b>TOTAL NET POSITION</b>	<u>3,334,571</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u><u>\$ 3,951,442</u></u>

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

## COUNTY OF ANDROSCOGGIN, MAINE

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2014

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue & Changes in Net Position
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Total Governmental Activities
Governmental activities:					
Superior Court	\$ 26,616	\$ -	\$ -	\$ -	\$ (26,616)
District Attorney	410,725	3,010	-	-	(407,715)
County Commissioners	135,436	-	-	-	(135,436)
County Treasurer	224,340	-	-	-	(224,340)
County Buildings	337,387	-	-	-	(337,387)
Jail (support of prisoners)	5,785,016	77,514	1,368,657	-	(4,338,845)
Human Resources	1,793	-	-	-	(1,793)
Registry of Deeds	319,231	737,809	-	-	418,578
Registry of Probate	132,163	133,420	-	-	1,257
Auditing	11,300	-	-	-	(11,300)
Sheriff department	1,315,559	-	-	-	(1,315,559)
Extension service	43,782	-	-	-	(43,782)
Employee benefits	1,571,204	-	-	-	(1,571,204)
Soil Conservation	13,000	-	-	-	(13,000)
Communications	452,235	165,234	-	-	(287,001)
Insurances	72,539	-	-	-	(72,539)
Emergency Management Agency	191,156	-	-	-	(191,156)
Civil Process	171,222	229,407	-	-	58,185
Telecommunications	74,639	15,000	-	-	(59,639)
Contingency	3,000	-	-	-	(3,000)
Special projects/reserves	367,476	66,120	258,327	-	(43,029)
Interest on long-term debt	31,069	-	-	-	(31,069)
Unallocated depreciation (Note 4)*	6,465	-	-	-	(6,465)
Total government	\$ 11,697,353	\$ 1,427,514	\$ 1,626,984	\$ -	(8,642,855)

\* This amount excludes the depreciation that is included in the direct expenses of the various programs.



STATEMENT B (CONTINUED)

COUNTY OF ANDROSCOGGIN, MAINE

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Governmental Activities</u>
Changes in net position:	
Net (expense) revenue	<u>(8,642,855)</u>
General revenues:	
Property taxes, levied for general purposes	8,071,848
Other grants/contracts	323,886
Interest income	8,728
Miscellaneous	98,855
Total general revenues	<u>8,503,317</u>
Change in net position	(139,538)
NET POSITION - JANUARY 1	<u>3,474,109</u>
NET POSITION - DECEMBER 31	<u><u>\$ 3,334,571</u></u>

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

## STATEMENT C

## COUNTY OF ANDROSCOGGIN, MAINE

BALANCE SHEET – GOVERNMENTAL FUNDS  
DECEMBER 31, 2014

	General Fund	Jail Fund	Deeds Surcharge Fund	Other Governmental Funds	Totals Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 1,832,936	\$ -	\$ 305,922	\$ 54,728	\$ 2,193,586
Accounts receivables (net of allowance for uncollectibles)	119,522	-	-	6,138	125,660
Due from other governments	32,202	128,827	-	-	161,029
Prepaid expenses	2,700	-	-	-	2,700
Due from other funds	72,793	283,017	-	57,100	412,910
<b>TOTAL ASSETS</b>	<b>\$ 2,060,153</b>	<b>\$ 411,844</b>	<b>\$ 305,922</b>	<b>\$ 117,966</b>	<b>\$ 2,895,885</b>
<b>LIABILITIES</b>					
Accounts payable	\$ 101,471	\$ -	\$ -	\$ -	\$ 101,471
Accrued payroll	76,185	-	-	-	76,185
Accrued compensated absences	-	128,827	-	-	128,827
Due to other governments	9,730	-	-	-	9,730
Due to other funds	340,117	-	54,815	17,978	412,910
<b>TOTAL LIABILITIES</b>	<b>527,503</b>	<b>128,827</b>	<b>54,815</b>	<b>17,978</b>	<b>729,123</b>
<b>FUND BALANCES</b>					
Nonspendable	2,700	-	-	-	2,700
Restricted	107,372	283,017	251,107	69,443	710,939
Committed	-	-	-	-	-
Assigned	984,238	-	-	31,998	1,016,236
Unassigned	438,340	-	-	(1,453)	436,887
<b>TOTAL FUND BALANCES</b>	<b>1,532,650</b>	<b>283,017</b>	<b>251,107</b>	<b>99,988</b>	<b>2,166,762</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 2,060,153</b>	<b>\$ 411,844</b>	<b>\$ 305,922</b>	<b>\$ 117,966</b>	<b>\$ 2,895,885</b>

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

## COUNTY OF ANDROSCOGGIN, MAINE

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

	Total Governmental Funds
Total Fund Balances	\$ 2,166,762
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation	1,468,467
Long-term liabilities shown below, are not due and payable in the current period and therefore are not reported in the funds shown above:	
Capital leases payable	(111,864)
Accrued compensated absences	(188,794)
	\$ 3,334,571
Net position of governmental activities	

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

## STATEMENT E

## COUNTY OF ANDROSCOGGIN, MAINE

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

	General Fund	Jail Fund	Deeds Surcharge Fund	Other Governmental Funds	Totals Governmental Funds
REVENUES					
Taxes	\$ 3,784,508	\$ 4,287,340	\$ -	\$ -	\$ 8,071,848
Intergovernmental revenues	323,886	1,368,657	-	258,327	1,950,870
Charges for services	1,301,659	77,514	43,251	5,090	1,427,514
Interest income	7,493	-	1,119	116	8,728
Miscellaneous revenues	89,652	9,203	-	-	98,855
TOTAL REVENUES	<u>5,507,198</u>	<u>5,742,714</u>	<u>44,370</u>	<u>263,533</u>	<u>11,557,815</u>
EXPENDITURES					
Current:					
Superior Court	26,616	-	-	-	26,616
District Attorney	409,545	-	-	-	409,545
County Commissioners	135,436	-	-	-	135,436
County Treasurer	224,340	-	-	-	224,340
County Buildings	337,387	-	-	-	337,387
Jail (Support of Prisoners)	-	5,757,059	-	-	5,757,059
Human Resources	1,793	-	-	-	1,793
Register of Deeds	185,638	-	133,593	-	319,231
Register of Probate	132,163	-	-	-	132,163
Auditing	11,300	-	-	-	11,300
Sheriff	1,323,636	-	-	-	1,323,636
Extension Service	43,782	-	-	-	43,782
Employee Benefits	1,571,204	-	-	-	1,571,204
Soil Conservation	13,000	-	-	-	13,000
Communications	452,235	-	-	-	452,235
Insurances	72,539	-	-	-	72,539
Emergency Management Agency	191,156	-	-	-	191,156
Civil Process	171,222	-	-	-	171,222
Telecommunications	74,639	-	-	-	74,639
Contingency	3,000	-	-	-	3,000
Unclassified	-	-	-	376,430	376,430
Debt service:					
TAN Interest	31,069	-	-	-	31,069
TOTAL EXPENDITURES	<u>5,411,700</u>	<u>5,757,059</u>	<u>133,593</u>	<u>376,430</u>	<u>11,678,782</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>95,498</u>	<u>(14,345)</u>	<u>(89,223)</u>	<u>(112,897)</u>	<u>(120,967)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	5,114	-	-	168,452	173,566
Transfers (out)	(168,452)	-	-	(5,114)	(173,566)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(163,338)</u>	<u>-</u>	<u>-</u>	<u>163,338</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(67,840)	(14,345)	(89,223)	50,441	(120,967)
FUND BALANCES - JANUARY 1	<u>1,600,490</u>	<u>297,362</u>	<u>340,330</u>	<u>49,547</u>	<u>2,287,729</u>
FUND BALANCES - DECEMBER 31	<u>\$ 1,532,650</u>	<u>\$ 283,017</u>	<u>\$ 251,107</u>	<u>\$ 99,988</u>	<u>\$ 2,166,762</u>

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

## COUNTY OF ANDROSCOGGIN, MAINE

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

Net change in fund balances - total governmental funds (Statement E)	<u>\$ (120,967)</u>
<p>Amounts reported for governmental activities in the Statement of Activities        (Statement B) are different because:</p>	
<p>Governmental funds report capital outlays as expenditures while governmental        activities report depreciation expense allocated to those expenditures over        the life of the assets:</p>	
Capital asset purchases	89,735
Depreciation expense	<u>(93,710)</u>
	<u>(3,975)</u>
<p>Repayment of long-term debt principal is an expenditure in the governmental        funds, but the repayment reduces long-term liabilities in the Statement of        Net Position</p>	
	<u>77,929</u>
<p>Debt proceeds provide current financial resources to governmental funds, but        long-term liabilities in the Statement of Net Position.</p>	
	<u>(89,735)</u>
<p>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:</p>	
Accrued compensated absences	<u>(2,790)</u>
Change in net position of governmental activities (Statement B)	<u><u>\$ (139,538)</u></u>

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

## COUNTY OF ANDROSCOGGIN, MAINE

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

	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 177,911
Accounts receivable (net of allowance for uncollectibles)	1,031,742
Due from other governments	<u>7,618</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 1,217,271</u></u>
<b>LIABILITIES</b>	
Accounts payable	\$ 26,332
Deposits held for others	<u>1,190,939</u>
<b>TOTAL LIABILITIES</b>	<u><u>\$ 1,217,271</u></u>

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

COUNTY OF ANDROSCOGGIN, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

***Reporting Entity***

The County of Androscoggin was incorporated under the laws of the State of Maine. The County operates under the County Manager-Commissioner form of government and provides the following services: jail services, sheriff, registry of deeds, registry of probate, treasurer, and commissioners.

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

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

***Government-Wide and Fund Financial Statements***

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

Both the government-wide and fund financial statements categorize primary activities as governmental. All activities of the County are categorized as governmental. In the government-wide Statement of Net Position, the governmental activity column is (a) presented on a consolidated basis by column, and (b) is reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The County's net position is reported in three parts- net investment in capital assets; restricted net position; and unrestricted net position. The County first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the County's functions (district attorney, register of deeds, jail, etc.). The functions are also supported by general government revenues (property taxes, certain intergovernmental revenues, miscellaneous revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. For the most part, the interfund activity has been eliminated from these government-wide financial statements.

COUNTY OF ANDROSCOGGIN, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

**Measurement Focus - Basic Financial Statements & Fund Financial Statements**

The financial transactions of the County are reported in the individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements. Component units that are fiduciary in nature have been excluded from these financial statements.

The following fund types are used by the County:

1. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the County:

- a. The General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. The Jail Fund is another operating fund of the County that was established by state statutes.
- c. The Deeds Surcharge fund is a major special revenue fund.
- d. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.



COUNTY OF ANDROSCOGGIN, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Fiduciary Funds:

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support County programs. The reporting focus is on net position and changes in net position and are reported using accounting principles similar to proprietary funds.

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

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

**Basis of Accounting**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

1. Accrual

Governmental activities in the government-wide financial statements and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred.

COUNTY OF ANDROSCOGGIN, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

**Budget**

The annual budget is the financial plan for the operation of the County of Androscoggin, Maine for the ensuing annual period. The budget process provides for a professional management approach to the establishment of priorities and implementation of work programs while providing an orderly means for control and evaluation of the financial posture of the government.

The County Commissioners submit itemized financial estimates in the form of a budget to the budget committee no later than sixty days before the end of the County's fiscal year. The budget committee reviews the itemized estimated budget prepared by the County Commissioners, together with any supplementary material prepared by the head of each County department or provided by an independent board or institution or another governmental agency.

The budget committee prepares a proposed budget and may increase, decrease or alter the estimated budget based on certain guidelines or restrictions. The budget committee holds a public hearing in the County on the proposed budget before the end of the County's fiscal year and before the final adoption of the budget.

After the public hearing is completed, the budget committee adopts a final budget and transmits that budget to the County Commissioners. The County Commissioners may not further increase, decrease, alter or revise the budget adopted by the budget committee, except by unanimous vote of the County commissioners. If the adopted budget is changed by the County Commissioners, the budget committee may reject that change by a 2/3 vote of its membership. Those actions are final and are not subject to further action by either the County Commissioners or the budget committee.

An annual budget is adopted for the general fund and jail fund. No budgets are officially adopted for the special revenue funds, although budgets are generally prepared as part of the oversight procedures in regards to these funds.

**Deposits and Investments**

The County's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of twelve months or less from the date of acquisition.

COUNTY OF ANDROSCOGGIN, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

It is the County's policy to value investments at fair value. None of the County's investments are reported at amortized cost. The County Treasurer is authorized by State Statutes to invest all excess funds in the following:

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

The County of Androscoggin has no formal investment policy but instead follows the State of Maine Statutes. They are in the process of adopting a more detailed investment policy.

**Inventories**

Inventories of supplies are considered to be expenditures at the time of purchase and are not included in the general fund balance sheet.

**Interfund Receivables and Payables**

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Any residual balances outstanding between governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances".

**Allowance for Uncollectible Accounts**

The allowance for uncollectible accounts is estimated to be \$0 as of December 31, 2014.

**Capital Assets**

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Infrastructure such as streets, traffic signals, and signs are capitalized. Other costs incurred for

COUNTY OF ANDROSCOGGIN, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives.

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

Infrastructure assets include roads, bridges, underground pipe (other than related to independently owned utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the County. The County has not retroactively recorded infrastructure.

Estimated useful lives are as follows:

Buildings	20 - 50 years
Infrastructure	50 - 100 years
Machinery and equipment	3 - 50 years
Vehicles	3 - 25 years

**Long-term Obligations**

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

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

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

**Compensated Absences**

The County's policy regarding vacation is to permit employees to accumulate earned but unused vacation leave. The liability for these compensated absences is recorded in the jail fund for the jail's portion as a liability but for all other it is recorded as long-term debt in the government-wide financial statements. In the fund financial

COUNTY OF ANDROSCOGGIN, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

statements, governmental funds report only the compensated absence liability payable from expendable available financial resources, while the proprietary funds report the liability as it is incurred.

**Net Position**

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

**Fund Balances**

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

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

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

Committed – This includes amounts that can be used only for specific purposes determined by a formal action of the inhabitants of the County. Please refer to the budgeting process for the authority for committing items within the budget.

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

COUNTY OF ANDROSCOGGIN, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

The County is in the process of adopting a set of financial policies to guide the financial operation of the County. Included in the policies will be guidelines for accumulating and maintaining an operating position in certain budgeted governmental funds such that annual expenditures shall not exceed annual resources, including fund balances. Other funds shall be fully self-supporting to the extent that the fund balance or retained earnings of each fund shall be zero or greater.

**Program Revenues**

Program revenues include all directly related income items applicable to a particular program (grant income/expenses).

**Encumbrance Accounting**

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

**Use of Estimates**

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

COUNTY OF ANDROSCOGGIN, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

NOTE 2 - DEPOSITS AND INVESTMENTS

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

**Deposits:**

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the County will not be able to recover its deposits. The County does not have a policy covering custodial credit risk for deposits. However, the County maintains deposits in qualifying financial institutions that are a member of the FDIC or NCUSIF as defined in Title 30-A, Section 5706 of the Maine Revised Statutes.

At December 31, 2014, the County's cash balance of \$2,371,497 was comprised of bank deposits amounting to \$2,737,519. Of these deposits \$2,658,861 were insured by federal depository insurance, collateralized with securities held by the financial institution in the County's name, or collateralized by an irrevocable stand-by letter of credit and thus not exposed to custodial credit risk. The remaining deposits of \$78,658 were uninsured and uncollateralized.

<u>Account Type</u>	<u>Bank Balance</u>
Checking accounts	\$ 264,257
Money market accounts	960,234
Savings accounts	328,658
Sweep accounts	797,124
ICS savings accounts	387,246
	<u>\$ 2,737,519</u>

**Investments:**

Custodial credit risk for investments is that, in the event of failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Currently, the County does not have a policy for custodial credit risk for investments.

At December 31, 2014, the County had \$0 of investments.

COUNTY OF ANDROSCOGGIN, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

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

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

NOTE 3 – INTERFUND RECEIVABLES AND PAYABLES

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

	<u>Receivables</u> <u>(Due from)</u>	<u>Payables</u> <u>(Due to)</u>
General Fund	\$ 72,793	\$ 340,117
Jail Fund	283,017	-
Deeds Surcharge Fund	-	54,815
Nonmajor Special Revenue Funds	57,100	17,978
	<u>\$ 412,910</u>	<u>\$ 412,910</u>



COUNTY OF ANDROSCOGGIN, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

NOTE 4 - CAPITAL ASSETS

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

	Balance, 1/1/14	Additions	Disposals	Balance, 12/31/14
<u>Governmental activities</u>				
Non-depreciated assets:				
Land	\$ 809,900	\$ -	\$ -	\$ 809,900
Construction in progress	25,834	-	-	25,834
Totals	<u>835,734</u>	<u>-</u>	<u>-</u>	<u>835,734</u>
Depreciated assets:				
Buildings/Improvements	11,448,546	-	-	11,448,546
Vehicles	307,656	3,175	-	310,831
Machinery/Equipment	440,965	86,560	-	527,525
Furniture/Fixtures	30,053	-	-	30,053
	<u>12,227,220</u>	<u>89,735</u>	<u>-</u>	<u>12,316,955</u>
Less accumulated depreciation	<u>(11,590,512)</u>	<u>(93,710)</u>	<u>-</u>	<u>(11,684,222)</u>
	<u>636,708</u>	<u>(3,975)</u>	<u>-</u>	<u>632,733</u>
Net capital assets	<u>\$ 1,472,442</u>	<u>\$ (3,975)</u>	<u>\$ -</u>	<u>\$ 1,468,467</u>
<u>Current year depreciation</u>				
Jail				\$ 27,957
District Attorney				1,180
Sheriff's Department				58,108
County-wide				6,465
Total depreciation expense				<u>\$ 93,710</u>

NOTE 5 - LONG-TERM DEBT

The General Fund of the County is used to pay for all long-term debt. A summary of long-term debt is as follows:

	Balance, 1/1/14	Additions	Deletions	Balance, 12/31/14	Current Portion
Capital leases payable	\$ 100,058	\$ 89,735	\$ (77,929)	\$ 111,864	\$ 29,258
Accrued compensated absences	306,102	11,519	-	317,621	-
Totals	<u>\$ 406,160</u>	<u>\$ 101,254</u>	<u>\$ (77,929)</u>	<u>\$ 429,485</u>	<u>\$ 29,258</u>

COUNTY OF ANDROSCOGGIN, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

NOTE 5 - LONG-TERM DEBT (CONTINUED)

Future minimum payments under the non-cancelable leases are as follows:

2015	\$ 57,934
2016	25,649
2017	16,624
2018	16,624
2019	-
Total minimum lease payments	<u>116,831</u>
Less: amount representing interest	<u>(4,967)</u>
Present value of future minimum lease payments	<u>\$ 111,864</u>

NOTE 6 – DEFINED BENEFIT PENSION PLAN

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

A. Plan Description

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

B. Funding Policy

The contribution requirements of plan members and the County are established and may be amended by the PLD's Consolidated Board of Trustees. All County employees hired after June 30, 1997 are part of the following plans: law enforcement and corrections officer employees are part of the PLD's special plan "2C" and are required to contribute 7.5% of their annual salary, while all other employees are part of the PLD's plan "AC" and are required to contribute 7.5% of their annual salary. Prior to July 1, 1997, all County employees were part of the PLD's special plan "1C". Employees in that group are required to contribute 7.5% of their annual salary. The County is required to contribute a blended rate of 8.9% of special plan "2C" members' covered payroll, 8.9% of the plan "AC" members' covered payroll and 14.0% of special plan "1C" members' covered payroll annually to the system along with a predetermined

COUNTY OF ANDROSCOGGIN, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

NOTE 6 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

initial unpooled unfunded actuarial liability (IUUAL) rate set by the system. The IUUAL can either be a monthly payment or credit, which is added to or subtracted from the employer's percentage of employees' covered payroll to determine the employers actual cost.

As of June 30, 2014, the County had an initial unpooled unfunded actuarial liability of \$259,802, computed using the actuarial method used for funding purposes. (The amount of the initial unpooled unfunded actuarial liability as of December 31, 2014 is not currently available.) This liability increases future contributions and is being amortized over a period of three years from July 1, 2013.

The County's actual contributions after the initial unpooled unfunded actuarial liability was added to the annual pension cost for 2014, 2013, and 2012 were \$335,326, \$345,369, and \$382,913, respectively.

NOTE 7 - NONSPENDABLE FUND BALANCES

At December 31, 2014, the County had the following nonspendable fund balances:

General Fund:	
Prepaid Expenses	<u>\$          2,700</u>

NOTE 8 - RESTRICTED FUND BALANCES

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

General Fund:	
JISS	\$          6,309
MCJA 12- Week Training	1,063
Contingency	<u>         100,000</u>
Subtotal General Fund	107,372
Jail Fund	283,017
Deeds Surcharge	251,107
Nonmajor Special Revenue Funds (See Schedule D)	<u>          69,443</u>
	<u>\$      710,939</u>

COUNTY OF ANDROSCOGGIN, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

NOTE 9 – ASSIGNED FUND BALANCES

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

General Fund:

Jail	\$	3
Sheriff Department Communication		170,967
DA - Educational Staff Training		351
Electronic Monitoring		6,619
Peoples Building Imp Account		463,570
Peoples Bank Computer		5
Peoples Bank Asset Forfeiture		3,228
Peoples Bank Office Equipment		21,352
2015 Commitment Offset		200,000
Sheriff Union Negotiations		56,400
Treasurer Computer		413
Encumbrances		61,330
Subtotal General Fund		<u>984,238</u>
Nonmajor Special Revenue Funds (See Schedule D)		<u>31,998</u>
	\$	<u><u>1,016,236</u></u>

NOTE 10 – JAIL OPERATIONS

During its 2007 Fiscal Year, the State of Maine enacted legislation known as LD 2080 “An Act to Better Coordinate and Reduce the Cost of the delivery of State and County Correctional Services”, located in Public Laws 2007, Chapter 653. This Act has in essence capped what Counties can assess their municipalities for taxes to fund their corrections budgets, and will also establish the annual growth limitations for future corrections expenditures. A Board of Overseers at the State of Maine has been appointed to supervise county correction operations. The Act has raised many accounting and auditing issues regarding both financial and budgetary reporting. It is the position of the County that it has addressed, to the best of its ability, these issues in its 2014 annual audit report.

At the present time issues such as the funding of accrued benefits; ownership and maintenance of correction assets; external funding of certain corrections operations; corrections capital / reserve funding and ownership; and the treatment of net asset balances (deficits) have not been specifically addressed in this Act. However, we have included a liability and offsetting receivable from the State of Maine for accrued compensated absences that are expected to be paid by the State. If the State decides not to cover these amounts, the jail will be liable for them. Any financial and/or other

COUNTY OF ANDROSCOGGIN, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

NOTE 10 – JAIL OPERATIONS (CONTINUED)

impact on the County and the Jail Department cannot be determined at the time of the issuance of this report.

NOTE 11 – LETTER OF CREDIT

At December 31, 2014, the County has an outstanding irrevocable standby letter of credit issued by the Federal Home Loan Bank of Pittsburgh serving as collateral for its deposits held at TD, Bank, N.A. This letter of credit, which expires at the close of business on March 26, 2015, authorizes one draw only up to the amount of \$1,000,000. There were no draws for the year ended December 31, 2014.

NOTE 12 – SHORT-TERM DEBT

On January 2, 2014, the County issued a tax anticipation note to provide liquidity for governmental operations financed by property taxes, which are collected in annual payments due October 1. The note, a line of credit, allowed principal draws up to \$4,400,000 at 0.71% interest with a maturity date of December 31, 2014. Short-term debt activity for the year ended December 31, 2014, was as follows:

	Balance 1/1/14	Draws	Repayments	Balance 12/31/14
Tax anticipation note	\$ -	\$ 4,400,000	\$ (4,400,000)	\$ -
Totals	<u>\$ -</u>	<u>\$ 4,400,000</u>	<u>\$ (4,400,000)</u>	<u>\$ -</u>

On December 31, 2014, the note was paid in full. Interest expense for the note was \$31,069.

NOTE 13 – DEFICIT FUND BALANCES

At December 31, 2014, the County had the following funds with deficit fund balances:

Victim Advocate Grant	<u>\$ 1,453</u>
-----------------------	-----------------

NOTE 14 - RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the County either carries commercial insurance or participates in a public entity and self-insured risk pool sponsored by the Maine County Commissioners Association Self-Funded Risk Management Pool.

COUNTY OF ANDROSCOGGIN, MAINE

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

NOTE 14 - RISK MANAGEMENT (CONTINUED)

Based on the coverage provided by the insurance purchased, the County is not aware of any material actual or potential claim liabilities which should be recorded at December 31, 2014. The amount of settlements has not exceeded insurance coverage for each of the past three years and there were no significant reductions in insurance coverage from that of the prior year.

NOTE 15 - CONTINGENCIES

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

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

## Required Supplementary Information

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

- Budgetary Comparison Schedule – Budgetary Basis – Budget and Actual - General Fund

## COUNTY OF ANDROSCOGGIN, MAINE

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

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		Positive (Negative)
Budgetary Fund Balance, January 1	\$ 1,600,490	\$ 1,600,490	\$ 1,600,490	\$ -
Resources (Inflows):				
Taxes - municipalities	3,784,508	3,784,508	3,784,508	-
Intergovernmental revenues	332,570	332,570	323,886	(8,684)
Charges for services	1,194,763	1,194,763	1,301,659	106,896
Interest income	7,000	7,000	7,493	493
Miscellaneous	49,200	49,200	89,652	40,452
Transfers from other funds	32,500	32,500	5,114	(27,386)
Amounts Available for Appropriation	7,001,031	7,001,031	7,112,802	111,771
Charges to Appropriations (Outflows):				
Superior Court	25,250	25,250	26,616	(1,366)
District Attorney	418,713	418,713	409,545	9,168
County Commissioners	168,385	168,385	135,436	32,949
County Treasurer	222,741	222,741	224,340	(1,599)
County Buildings	325,581	325,581	337,387	(11,806)
Human Resources	2,100	2,100	1,793	307
Register of Deeds	225,173	225,173	185,638	39,535
Register of Probate	147,510	147,510	132,163	15,347
Auditing	11,300	11,300	11,300	-
Sheriff	1,396,017	1,396,017	1,323,636	72,381
Extension Service	43,782	43,782	43,782	-
Employee Benefits	1,590,426	1,590,426	1,571,204	19,222
Soil Conservation	13,000	13,000	13,000	-
Communications	444,245	444,245	452,235	(7,990)
Insurances	145,000	145,000	72,539	72,461
Emergency Management Agency	202,326	202,326	191,156	11,170
Civil Process	170,525	170,525	171,222	(697)
Telecommunications	62,023	62,023	74,639	(12,616)
Contingency	100,000	100,000	3,000	97,000
Debt service:				
TAN interest	31,240	31,240	31,069	171
Transfers to Other funds	168,452	168,452	168,452	-
Total Charges to Appropriations	5,913,789	5,913,789	5,580,152	333,637
Budgetary Fund Balance, December 31	\$ 1,087,242	\$ 1,087,242	\$ 1,532,650	\$ 445,408
Utilization of restricted fund balance	\$ 100,000	\$ 100,000	\$ -	\$ (100,000)
Utilization of assigned fund balance	413,248	413,248	-	(413,248)
	\$ 513,248	\$ 513,248	\$ -	\$ (513,248)

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



## Other Supplementary Information

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

- Schedule of Departmental Operations – General Fund
- Combining Balance Sheet - Nonmajor Governmental Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds
- Combining Balance Sheet - Nonmajor Special Revenue Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds
- Combining Schedule of Fiduciary Net Position - Agency Funds
- Combining Schedule of Changes in Fiduciary Net Position - Agency Funds
- Schedule of General Capital Assets by Function
- Schedule of Changes in General Capital Assets by Function

COUNTY OF ANDROSCOGGIN, MAINE

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

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
<b>SUPERIOR COURT</b>					
Witness fees	\$ 25,000	\$ -	\$ 25,000	\$ 25,473	\$ (473)
Other expenditures	250	-	250	1,143	(893)
Totals	<u>25,250</u>	<u>-</u>	<u>25,250</u>	<u>26,616</u>	<u>(1,366)</u>
<b>DISTRICT ATTORNEY</b>					
Personnel	296,923	-	296,923	290,166	6,757
Telephone	7,200	-	7,200	7,410	(210)
Utilities	3,100	-	3,100	3,127	(27)
Contracted services	18,724	-	18,724	18,714	10
Office supplies/printing	9,800	-	9,800	4,872	4,928
Software/hardware	10,382	-	10,382	9,445	937
Court lease	29,064	-	29,064	29,064	-
Joint District Attorney	10,605	-	10,605	10,135	470
Other expenditures	32,915	-	32,915	36,612	(3,697)
Totals	<u>418,713</u>	<u>-</u>	<u>418,713</u>	<u>409,545</u>	<u>9,168</u>
<b>COUNTY COMMISSIONERS</b>					
Personnel	105,917	-	105,917	89,715	16,202
Contracted services	40,000	-	40,000	19,052	20,948
Utilities	-	-	-	2,054	(2,054)
Software/hardware	2,250	-	2,250	2,015	235
Office supplies/printing	1,300	-	1,300	884	416
Dues	11,658	-	11,658	11,619	39
Other expenditures	7,260	-	7,260	10,097	(2,837)
Totals	<u>168,385</u>	<u>-</u>	<u>168,385</u>	<u>135,436</u>	<u>32,949</u>
<b>COUNTY TREASURER</b>					
Personnel	119,591	-	119,591	120,487	(896)
Software/hardware	3,885	-	3,885	4,031	(146)
Office supplies/printing	1,475	-	1,475	1,971	(496)
Computer equipment	88,500	-	88,500	88,500	-
Other expenditures	9,290	-	9,290	9,351	(61)
Totals	<u>222,741</u>	<u>-</u>	<u>222,741</u>	<u>224,340</u>	<u>(1,599)</u>

COUNTY OF ANDROSCOGGIN, MAINE

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

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
<b>COUNTY BUILDINGS</b>					
Personnel	108,346	-	108,346	109,415	(1,069)
Fuel oil	4,000	-	4,000	3,995	5
Cleaning	40,000	-	40,000	33,213	6,787
Grounds/snow removal	11,000	-	11,000	12,751	(1,751)
Repairs	16,200	-	16,200	15,887	313
Utilities	84,260	-	84,260	67,324	16,936
Building and improvements	47,000	-	47,000	77,685	(30,685)
Other expenditures	14,775	-	14,775	17,117	(2,342)
Totals	<u>325,581</u>	<u>-</u>	<u>325,581</u>	<u>337,387</u>	<u>(11,806)</u>
<b>HUMAN RESOURCES</b>					
Human Resources	<u>2,100</u>	<u>-</u>	<u>2,100</u>	<u>1,793</u>	<u>307</u>
Totals	<u>2,100</u>	<u>-</u>	<u>2,100</u>	<u>1,793</u>	<u>307</u>
<b>REGISTRY OF DEEDS</b>					
Personnel	190,653	-	190,653	151,499	39,154
Microfilming	24,500	-	24,500	24,500	-
Office supplies/printing	3,700	-	3,700	3,364	336
Telephone	1,400	-	1,400	1,345	55
Other expenditures	4,920	-	4,920	4,930	(10)
Totals	<u>225,173</u>	<u>-</u>	<u>225,173</u>	<u>185,638</u>	<u>39,535</u>
<b>REGISTRY OF PROBATE</b>					
Personnel	106,710	-	106,710	99,296	7,414
Advertising	9,500	-	9,500	11,006	(1,506)
Attorney fees	12,000	-	12,000	3,833	8,167
Software/hardware	2,500	-	2,500	2,360	140
Office supplies/printing	2,025	-	2,025	1,785	240
Insurance	1,525	-	1,525	1,822	(297)
Telephone	650	-	650	429	221
Repairs	1,500	-	1,500	125	1,375
Other expenditures	11,100	-	11,100	11,507	(407)
Totals	<u>147,510</u>	<u>-</u>	<u>147,510</u>	<u>132,163</u>	<u>15,347</u>

COUNTY OF ANDROSCOGGIN, MAINE

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

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
<b>AUDITING</b>					
Audit services	11,300	-	11,300	11,300	-
Totals	11,300	-	11,300	11,300	-
<b>SHERIFF</b>					
Personnel	1,087,097	-	1,087,097	1,093,945	(6,848)
Sheriff pay increases	40,000	-	40,000	-	40,000
Gas/oil/grease	68,000	-	68,000	56,647	11,353
Clothing/uniforms	12,350	-	12,350	10,926	1,424
Motor vehicles	40,937	-	40,937	40,937	-
Telephone/teletype	22,905	-	22,905	22,616	289
Automotive supplies	11,000	-	11,000	12,076	(1,076)
Software/hardware	12,450	-	12,450	10,815	1,635
Office supplies/printing	5,700	-	5,700	4,610	1,090
Training/education	5,000	-	5,000	4,635	365
Repairs	29,900	-	29,900	28,616	1,284
Computer software	18,448	-	18,448	3,725	14,723
Other expenditures	42,230	-	42,230	34,088	8,142
Totals	1,396,017	-	1,396,017	1,323,636	72,381
<b>EXTENSION SERVICE</b>					
Twin County Extension	43,782	-	43,782	43,782	-
Totals	43,782	-	43,782	43,782	-
<b>EMPLOYEE BENEFITS</b>					
Health/dental insurance	1,100,734	-	1,100,734	1,099,398	1,336
Unemployment compensation	15,000	-	15,000	12,130	2,870
Retirement	235,250	-	235,250	233,830	1,420
Social Security	221,500	-	221,500	207,904	13,596
Death benefit	17,942	-	17,942	17,942	-
Totals	1,590,426	-	1,590,426	1,571,204	19,222

COUNTY OF ANDROSCOGGIN, MAINE

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

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
<b>COMMUNICATIONS</b>					
Personnel	409,752	-	409,752	425,824	(16,072)
Telephone/teletype	9,093	-	9,093	7,405	1,688
Repairs	3,500	-	3,500	3,076	424
Software/hardware	2,000	-	2,000	515	1,485
Office supplies/printing	2,000	-	2,000	3,212	(1,212)
Other expenditures	17,900	-	17,900	12,203	5,697
Totals	444,245	-	444,245	452,235	(7,990)
<b>SOIL CONSERVATION</b>					
Androscoggin Soil Conservation	13,000	-	13,000	13,000	-
Totals	13,000	-	13,000	13,000	-
<b>INSURANCES</b>					
Auto/liability	50,000	-	50,000	41,424	8,576
Worker's compensation	95,000	-	95,000	31,115	63,885
Totals	145,000	-	145,000	72,539	72,461
<b>EMERGENCY MANAGEMENT</b>					
Personnel	172,486	-	172,486	166,848	5,638
Telephone	7,608	-	7,608	7,566	42
Utilities	10,756	-	10,756	6,749	4,007
Office supplies/printing	2,800	-	2,800	2,303	497
Vehicle expenditures	4,697	-	4,697	4,550	147
Repairs	2,100	-	2,100	1,537	563
Other expenditures	1,879	-	1,879	1,603	276
Totals	202,326	-	202,326	191,156	11,170

COUNTY OF ANDROSCOGGIN, MAINE

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

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
<b>CIVIL PROCESS</b>					
Personnel	139,942	-	139,942	139,421	521
Gas/oil/grease	10,300	-	10,300	10,025	275
Repairs	2,500	-	2,500	6,067	(3,567)
Motor vehicle	4,063	-	4,063	4,063	-
Software/hardware	2,000	-	2,000	1,800	200
Office supplies/printing	650	-	650	900	(250)
Other expenditures	11,070	-	11,070	8,946	2,124
Totals	<u>170,525</u>	<u>-</u>	<u>170,525</u>	<u>171,222</u>	<u>(697)</u>
<b>TELECOMMUNICATIONS</b>					
Personnel	36,088	-	36,088	35,076	1,012
Lease agreement	1,637	-	1,637	1,238	399
Repairs	3,500	-	3,500	3,238	262
Office equipment	14,000	-	14,000	29,051	(15,051)
Other expenditures	6,798	-	6,798	6,036	762
Totals	<u>62,023</u>	<u>-</u>	<u>62,023</u>	<u>74,639</u>	<u>(12,616)</u>
<b>CONTINGENCY</b>					
Contingency	100,000	-	100,000	3,000	97,000
Totals	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>3,000</u>	<u>97,000</u>
<b>DEBT SERVICE</b>					
TAN interest	31,240	-	31,240	31,069	171
Totals	<u>31,240</u>	<u>-</u>	<u>31,240</u>	<u>31,069</u>	<u>171</u>
<b>TRANSFERS TO OTHER FUNDS</b>					
Special revenue funds	168,452	-	168,452	168,452	-
Totals	<u>168,452</u>	<u>-</u>	<u>168,452</u>	<u>168,452</u>	<u>-</u>
<b>TOTAL</b>	<u>\$ 5,913,789</u>	<u>\$ -</u>	<u>\$ 5,913,789</u>	<u>\$ 5,580,152</u>	<u>\$ 333,637</u>

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

## COUNTY OF ANDROSCOGGIN, MAINE

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2014

	Special Revenue Funds	Total Nonmajor Governmental Funds
	<u>          </u>	<u>          </u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 54,728	\$ 54,728
Accounts receivable (net of allowance for uncollectibles)	6,138	6,138
Due from other funds	57,100	57,100
<b>TOTAL ASSETS</b>	<u>\$ 117,966</u>	<u>117,966</u>
<b>LIABILITIES</b>		
Accounts payable	\$ -	\$ -
Due to other funds	17,978	17,978
<b>TOTAL LIABILITIES</b>	<u>17,978</u>	<u>17,978</u>
<b>FUND BALANCES</b>		
Nonspendable	-	-
Restricted	69,443	69,443
Committed	-	-
Assigned	31,998	31,998
Unassigned	(1,453)	(1,453)
<b>TOTAL FUND BALANCES</b>	<u>99,988</u>	<u>99,988</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 117,966</u>	<u>\$ 117,966</u>

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

## COUNTY OF ANDROSCOGGIN, MAINE

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

	Special Revenue Funds	Total Nonmajor Governmental Funds
	<u>                    </u>	<u>                    </u>
REVENUES		
Intergovernmental	\$ 258,327	\$ 258,327
Charges for services	5,090	5,090
Interest income	116	116
TOTAL REVENUES	<u>263,533</u>	<u>263,533</u>
EXPENDITURES		
Program expenses	376,430	376,430
TOTAL EXPENDITURES	<u>376,430</u>	<u>376,430</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(112,897)</u>	<u>(112,897)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	168,452	168,452
Transfers (out)	(5,114)	(5,114)
TOTAL OTHER FINANCING SOURCES (USES)	<u>163,338</u>	<u>163,338</u>
NET CHANGE IN FUND BALANCES	50,441	50,441
FUND BALANCES, JANUARY 1	<u>49,547</u>	<u>49,547</u>
FUND BALANCES, DECEMBER 31	<u><u>\$ 99,988</u></u>	<u><u>\$ 99,988</u></u>

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



## Special Revenue Funds

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

COUNTY OF ANDROSCOGGIN, MAINE

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

	Chemical Emergency Response	Probate Surcharge	DARE	Victim Advocate Grant	Victim Advocate STOP Grant	Domestic Violence Investigator Grant
<b>ASSETS</b>						
Cash and cash equivalents	\$ 31,998	\$ 20,973	\$ -	\$ -	\$ -	\$ -
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-	-	-
Due from other funds	-	-	37	-	12,312	30,114
<b>TOTAL ASSETS</b>	<b>\$ 31,998</b>	<b>\$ 20,973</b>	<b>\$ 37</b>	<b>\$ -</b>	<b>\$ 12,312</b>	<b>\$ 30,114</b>
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	12,966	-	1,453	-	-
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>12,966</b>	<b>-</b>	<b>1,453</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>						
Nonspendable	-	-	-	-	-	-
Restricted	-	8,007	37	-	12,312	30,114
Committed	-	-	-	-	-	-
Assigned	31,998	-	-	-	-	-
Unassigned	-	-	-	(1,453)	-	-
<b>TOTAL FUND BALANCES</b>	<b>31,998</b>	<b>8,007</b>	<b>37</b>	<b>(1,453)</b>	<b>12,312</b>	<b>30,114</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 31,998</b>	<b>\$ 20,973</b>	<b>\$ 37</b>	<b>\$ -</b>	<b>\$ 12,312</b>	<b>\$ 30,114</b>

COUNTY OF ANDROSCOGGIN, MAINE

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

	MDEA Agent Contract	Homeland Security	Misc Sheriff Grants	Alcohol Enforcement	Traffic Safety	Totals
<b>ASSETS</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 1,757	\$ -	\$ 54,728
Accounts receivable (net of allowance for uncollectibles)	6,138	-	-	-	-	6,138
Due from other funds	-	13,569	160	-	908	57,100
<b>TOTAL ASSETS</b>	<b>\$ 6,138</b>	<b>\$ 13,569</b>	<b>\$ 160</b>	<b>\$ 1,757</b>	<b>\$ 908</b>	<b>\$ 117,966</b>
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	3,559	-	-	-	-	17,978
<b>TOTAL LIABILITIES</b>	<b>3,559</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,978</b>
<b>FUND BALANCES</b>						
Nonspendable	-	-	-	-	-	-
Restricted	2,579	13,569	160	1,757	908	69,443
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	-	31,998
Unassigned	-	-	-	-	-	(1,453)
<b>TOTAL FUND BALANCES</b>	<b>2,579</b>	<b>13,569</b>	<b>160</b>	<b>1,757</b>	<b>908</b>	<b>99,988</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 6,138</b>	<b>\$ 13,569</b>	<b>\$ 160</b>	<b>\$ 1,757</b>	<b>\$ 908</b>	<b>\$ 117,966</b>

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

COUNTY OF ANDROSCOGGIN, MAINE

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

	Chemical Emergency Response	Probate Surcharge	DARE	Victim Advocate Grant	Victim Advocate STOP Grant	Domestic Violence Investigator Grant
REVENUES						
Intergovernmental	\$ 132,744	\$ -	\$ -	\$ 41,830	\$ -	\$ -
Charges for services	-	5,090	-	-	-	-
Interest income	62	49	-	-	-	-
<b>TOTAL REVENUES</b>	<b>132,806</b>	<b>5,139</b>	<b>-</b>	<b>41,830</b>	<b>-</b>	<b>-</b>
EXPENDITURES						
Program expenses	138,929	1,372	-	90,472	36,994	31,235
<b>TOTAL EXPENDITURES</b>	<b>138,929</b>	<b>1,372</b>	<b>-</b>	<b>90,472</b>	<b>36,994</b>	<b>31,235</b>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(6,123)	3,767	-	(48,642)	(36,994)	(31,235)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	50,551	55,785	62,116
Transfers (out)	-	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50,551</b>	<b>55,785</b>	<b>62,116</b>
NET CHANGE IN FUND BALANCES	(6,123)	3,767	-	1,909	18,791	30,881
FUND BALANCES, JANUARY 1	38,121	4,240	37	(3,362)	(6,479)	(767)
<b>FUND BALANCES, DECEMBER 31</b>	<b>\$ 31,998</b>	<b>\$ 8,007</b>	<b>\$ 37</b>	<b>\$ (1,453)</b>	<b>\$ 12,312</b>	<b>\$ 30,114</b>

COUNTY OF ANDROSCOGGIN, MAINE

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

	MDEA Agent Contract	Homeland Security	Misc Sheriff Grants	Alcohol Enforcement	Traffic Safety	Totals
REVENUES						
Intergovernmental	\$ 78,479	\$ -	\$ 5,274	\$ -	\$ -	\$ 258,327
Charges for services	-	-	-	-	-	5,090
Interest income	-	-	-	5	-	116
TOTAL REVENUES	<u>78,479</u>	<u>-</u>	<u>5,274</u>	<u>5</u>	<u>-</u>	<u>263,533</u>
EXPENDITURES						
Program expenses	77,428	-	-	-	-	376,430
TOTAL EXPENDITURES	<u>77,428</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>376,430</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,051</u>	<u>-</u>	<u>5,274</u>	<u>5</u>	<u>-</u>	<u>(112,897)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	168,452
Transfers (out)	-	-	(5,114)	-	-	(5,114)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>(5,114)</u>	<u>-</u>	<u>-</u>	<u>163,338</u>
NET CHANGE IN FUND BALANCES	1,051	-	160	5	-	50,441
FUND BALANCES, JANUARY 1	<u>1,528</u>	<u>13,569</u>	<u>-</u>	<u>1,752</u>	<u>908</u>	<u>49,547</u>
FUND BALANCES, DECEMBER 31	<u>\$ 2,579</u>	<u>\$ 13,569</u>	<u>\$ 160</u>	<u>\$ 1,757</u>	<u>\$ 908</u>	<u>\$ 99,988</u>

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

## Agency Funds

Agency funds are used to account for assets held by the County of Androscoggin, Maine as an agent for individuals, private organizations or other governmental units. This fund has been established for the provisions of the Inmate Benefit Account, the Restitution Account and the Extradition Account.

## COUNTY OF ANDROSCOGGIN, MAINE

COMBINING SCHEDULE OF FIDUCIARY NET POSITION - AGENCY FUNDS  
DECEMBER 31, 2014

	Inmate Benefit Account	Restitution Account	Extradition Account	Totals
<b>ASSETS</b>				
Cash and cash equivalents	\$ 147,175	\$ 11,490	\$ 19,246	\$ 177,911
Accounts receivable (net of allowance for uncollectibles)	-	1,031,742	-	1,031,742
Due from other governments	7,618	-	-	7,618
<b>TOTAL ASSETS</b>	<b><u>\$ 154,793</u></b>	<b><u>\$ 1,043,232</u></b>	<b><u>\$ 19,246</u></b>	<b><u>\$ 1,217,271</u></b>
<b>LIABILITIES</b>				
Accounts payable	\$ 26,332	\$ -	\$ -	\$ 26,332
Deposits held for others	128,461	1,043,232	19,246	1,190,939
<b>TOTAL LIABILITIES</b>	<b><u>\$ 154,793</u></b>	<b><u>\$ 1,043,232</u></b>	<b><u>\$ 19,246</u></b>	<b><u>\$ 1,217,271</u></b>

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

## COUNTY OF ANDROSCOGGIN, MAINE

COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION  
 AGENCY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Inmate Benefit Account	Restitution Account	Extradition Account	Totals
ADDITIONS				
Charges for services	\$ 650,658	\$ 110,747	\$ 42,218	\$ 803,623
Other	132	-	14	146
TOTAL ADDITIONS	<u>650,790</u>	<u>110,747</u>	<u>42,232</u>	<u>803,769</u>
DELETIONS				
Program charges	<u>648,358</u>	<u>1,059</u>	<u>41,513</u>	<u>690,930</u>
TOTAL DELETIONS	<u>648,358</u>	<u>1,059</u>	<u>41,513</u>	<u>690,930</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN DEPOSITS HELD FOR OTHERS	2,432	109,688	719	112,839
DEPOSITS HELD FOR OTHERS, JANUARY 1	<u>126,029</u>	<u>933,544</u>	<u>18,527</u>	<u>1,078,100</u>
DEPOSITS HELD FOR OTHERS, DECEMBER 31	<u>\$ 128,461</u>	<u>\$ 1,043,232</u>	<u>\$ 19,246</u>	<u>\$ 1,190,939</u>

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



## General Capital Assets

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

COUNTY OF ANDROSCOGGIN, MAINE

SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION  
DECEMBER 31, 2014

	Land and Non-depreciable Assets	Buildings, Building Improvements & Land Improvements	Furniture, Fixtures Equipment & Vehicles	Totals
Jail	\$ -	\$ 9,002,678	\$ 261,323	\$ 9,264,001
Sheriff's Department	-	-	548,946	548,946
District Attorney	-	-	5,900	5,900
County-wide	835,734	2,445,868	52,240	3,333,842
Total General Capital	835,734	11,448,546	868,409	13,152,689
Less: Accumulated Depreciation	-	(11,274,394)	(409,828)	(11,684,222)
Net General Capital Assets	<u>\$ 835,734</u>	<u>\$ 174,152</u>	<u>\$ 458,581</u>	<u>\$ 1,468,467</u>

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

COUNTY OF ANDROSCOGGIN, MAINE

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

	General Capital Assets 1/1/14	Additions	Disposals	General Capital Assets 12/31/14
Jail	\$ 9,264,001	\$ -	-	\$ 9,264,001
Sheriff's Department	482,761	66,185	-	548,946
District Attorney	5,900	-	-	5,900
County-wide	3,310,292	23,550	-	3,333,842
Total General Capital	<u>13,062,954</u>	<u>89,735</u>	-	<u>13,152,689</u>
Less: Accumulated Depreciation	<u>(11,590,512)</u>	<u>(93,710)</u>	-	<u>(11,684,222)</u>
Net General Capital Assets	<u>\$ 1,472,442</u>	<u>\$ (3,975)</u>	<u>\$ -</u>	<u>\$ 1,468,467</u>

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