

**County of
Waldo**

**Annual Report
2013**



~DEDICATION~

The Waldo County Commissioners
proudly dedicate the
2013 County of Waldo Annual Report
to
All the tax payers and citizens of Waldo County,
many of whom devote countless hours
of volunteer service
to their County and their own communities.

To be good, and to do good, is all we have to do.

–John Adams

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COUNTY OF WALDO
COUNTY DIRECTORY AND COUNTY OFFICERS
FOR 2013

COUNTY COMMISSIONERS' COURT

Betty I. Johnson	Lincolnvile
William D. Shorey	Searsport
Amy R. Fowler	Palermo
Barbara L. Arseneau, County Clerk	Belfast
Linda Kinney, Deputy County Clerk	Searsport

Meetings are held the second Tuesday of each month.

DISTRICT ATTORNEY

District Attorney	Geoffrey Rushlau
Deputy District Attorney	Eric Walker

TREASURER

Treasurer	David A. Parkman
Deputy Treasurer	Karen J. Trussell

REGISTER OF DEEDS

Register of Deeds	Deloris A. Page
Deputy Register	Stacy Grant

PROBATE COURT

Judge	Susan W. Longley
Register of Probate	Sharon W. Peavey
Deputy Register	Judith Nealley

2013 Court Calendar: In satisfaction of Rule 40(a)(1) of the Rules of Probate Procedure, IT IS ORDERED that Probate and Civil Proceedings for 2013 shall be scheduled for hearing on Tuesday's with Return Day set for the third Tuesday of each month in the Waldo County Probate Court, or as otherwise agreed.

EMERGENCY MANAGEMENT AGENCY

Director	Dale D. Rowley
Deputy Director	Olga Rumney

SHERIFF'S DEPARTMENT

Sheriff	Scott L. Story
Chief Deputy	Jeffrey Trafton
Corrections Administrator	Raymond Porter

WALDO COUNTY'S REGIONAL COMMUNICATION CENTER

Director

Owen Smith

FACILITIES

Facilities Manager

Keith Nealley

WALDO COUNTY BUDGET COMMITTEE FY 2012

District #1

Roger Lee

26 Park Street, Belfast, ME 04915

David Barrows

392 High Street, Lincolnville, ME 04849

Craig R. Olson

113 Derby Road, Islesboro, ME 04848

District #2

Peter Curly

PO Box 180, Stockton Springs, ME 04981

Richard Desmarais

PO Box 313, Searsport, ME 04974

Bill Sneed

38 Moody Road, Prospect, ME 04981

District #3

James Bennett

63 Berry Road, Thorndike, ME 04986

Harry Dean Potter

1055 Jones Road, Palermo, ME 04354

Clement Blakney

317 Albion Road, Unity, ME 04988

**LAWS OF THE STATE OF MAINE
REVISED STATUTES ANNOTATED – TITLE 30-A**

SECTION 3. EXPENSE ACCOUNTS TO BE UNDER OATH

Whenever required by law to provide a bill of expense, every county officer shall itemize the bill and swear, before presenting it for auditing or payment, that it includes only actual cash spent in performing the officer's official duties.

SECTION 183. ANNUAL STATEMENT OF FINANCIAL STANDING

At the end of each year in cooperation with the commissioners, each treasurer shall make a statement of the financial condition of the county and publish in pamphlet form a reasonable number of copies for distribution among its citizens. This statement must show in detail all money received into and paid out of the county treasury, including a statement of detail of:

1. Unclaimed Inheritances. All sums received under Title 18-A, Section 3-914;
2. Division Among Accounts. The division of money among general, special and capital reserve accounts and the amounts remaining in each account;
3. Federal Funds. All federal funds received; and
4. Facts and Statistics. Other facts and statistics necessary to exhibit the true state of the county's finances, including the number of week's board and expense of clothing furnished prisoners.

SECTION 952. ANNUAL REPORT – Repealed. Laws 2003, c. 178, § 3

SECTION 951. COUNTY AUDIT

1. Annual Audit. Every county shall have an audit made of its accounts annually covering the last complete fiscal year by the Department of Audit or by a certified public accountant selected by the county commissioners. The audit must be performed in accordance with generally accepted auditing standards and procedures pertaining to government accounting. The auditor shall produce an audit report that includes the items required in section 952-A. When an audit is conducted by a certified public accountant, the audit, upon completion, must be forwarded to the Department of Audit. The audit, including the management letter, is a public document.

2. Improper transactions; report to district attorney. If, in the course of the audit, the auditor finds evidence of improper transactions, including the use of contingency funds for nonemergency purposes, the transfer of funds between departments or agencies, incompetence in keeping accounts or handling funds, failure to comply with the subchapter or any other improper practice of financial administration, the auditor shall report the same to the district attorney immediately.

3. Commissioners responsible. The county commissioners are responsible for the proper financial administration of each county department or agency and for approving county expenditures.

SECTION 952-A. AUDIT REPORT

- 1. Report contents.** The report required pursuant to section 951, subsection 1 must contain the following items:
 - A. A management letter;
 - B. A letter of transmittal;
 - C. The independent auditor's report on the financial statements; and
 - D. All financial statements and all other information required by governmental accounting and financial reporting standards.
- 2. Copies for distribution.** Copies of the report must be deposited in the county commissioners' office or a convenient place of business for distribution to the public and must be distributed to each municipality in the county.
- 3. Copies open for inspection.** Copies of the report and all county records must be kept in the county commissioners' office and must be open to the inspection of the public during usual business hours.

Article 7. Waldo County Budget Committee

SECTION 851. PURPOSE

The purpose of this article is to establish in Waldo County a method of appropriating money for County expenditures, according to a budget, which must first receive approval of a Budget Committee. This article amends the statutory method in sections 2, 701 and 702 by transferring the authority of Waldo County legislative delegation and the Legislature to approve the Waldo County budget to a committee comprised of Waldo County and municipal officials. This article applies only to Waldo County.

YEAR: 2013
WALDO COUNTY TAX & JAIL TAX BREAKDOWN

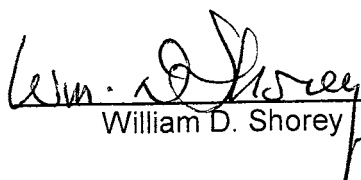
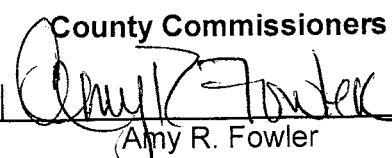
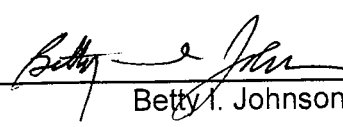
TAX COMMITMENT (Total Jail Expenditures)	\$	3,054,667.64	
TAX COMMITMENT (Total County Expenditures)	\$	5,342,754.00	L.D. 2080 CAP
AMOUNT TO REDUCE TAX LEVY:			\$ 2,832,353.00
Jail Revenue	\$	222,314.64	
County Revenue	\$	568,234.22	
Undesignated Funds	\$	-	
OVERLAY	\$	59,245.22	L.D. 1 CAP
ASSESSMENT TO TOWNS	\$	7,666,118.00	\$ 7,666,118.00
			\$ -

AMOUNT TO BE RAISED	VALUATION	TAX RATE
\$7,666,118.00	\$4,498,600,000.00	0.001704112

MUNICIPALITY	STATE VALUATION	2013 COUNTY TAX	TOTAL % OF TAXES
BELFAST	\$ 833,550,000.00	\$ 1,420,462.51	18.53%
BELMONT	\$ 62,450,000.00	\$ 106,421.79	1.39%
BROOKS	\$ 69,150,000.00	\$ 117,839.34	1.54%
BURNHAM	\$ 95,600,000.00	\$ 162,913.10	2.13%
FRANKFORT	\$ 78,350,000.00	\$ 133,517.17	1.74%
FREEDOM	\$ 59,100,000.00	\$ 100,713.02	1.31%
ISLESBORO	\$ 595,350,000.00	\$ 1,014,543.05	13.23%
JACKSON	\$ 35,950,000.00	\$ 61,262.82	0.80%
KNOX	\$ 52,950,000.00	\$ 90,232.73	1.18%
LIBERTY	\$ 125,250,000.00	\$ 213,440.02	2.78%
LINCOLNVILLE	\$ 430,800,000.00	\$ 734,131.43	9.58%
MONROE	\$ 69,850,000.00	\$ 119,032.22	1.55%
MONTVILLE	\$ 79,550,000.00	\$ 135,562.11	1.77%
MORRILL	\$ 66,950,000.00	\$ 114,090.29	1.49%
NORTHPORT	\$ 330,350,000.00	\$ 562,953.38	7.34%
PALERMO	\$ 177,050,000.00	\$ 301,713.02	3.94%
PROSPECT	\$ 45,800,000.00	\$ 78,048.33	1.02%
SEARSMONT	\$ 184,750,000.00	\$ 314,834.68	4.11%
SEARSPORT	\$ 257,350,000.00	\$ 438,553.21	5.72%
STOCKTON SPRINGS	\$ 208,000,000.00	\$ 354,455.28	4.62%
SWANVILLE	\$ 113,850,000.00	\$ 194,013.15	2.53%
THORNDIKE	\$ 47,950,000.00	\$ 81,712.17	1.07%
TROY	\$ 59,350,000.00	\$ 101,139.04	1.32%
UNITY	\$ 121,850,000.00	\$ 207,646.04	2.71%
WALDO	\$ 53,500,000.00	\$ 91,169.99	1.19%
WINTERPORT	\$ 241,950,000.00	\$ 412,309.89	5.38%
SUB-TOTAL	\$ 4,496,600,000.00	\$ 7,662,709.78	99.96%

UNORGANIZED			
Lasell and Little Bermuda	\$ 2,000,000.00	\$ 3,408.22	0.04%
GRAND TOTAL	\$ 4,498,600,000.00	\$ 7,666,118.00	100.00%

County Commissioners

 William D. Shorey	 Amy R. Fowler	 Betty I. Johnson
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2013 PROJECTED REVENUES

	2013
STATE OF MAINE RENT	\$ 92,435.22
EMERGENCY MANAGEMENT AGENCY	\$ 88,349.00
REGISTRY OF DEEDS:	\$ 290,050.00
FEEES \$	250,000.00
TRANSFER TAX \$	40,000.00
INTEREST \$	50.00
PROBATE COURT	\$ 73,000.00
FEEES \$	70,000.00
RESTITUTION \$	3,000.00
SHERIFF	\$ 5,000.00
INTEREST	\$ 8,000.00
MISCELLANEOUS INCOME	\$ 8,000.00
DA'S COURT ORDERED FEES	\$ 3,000.00
REFUND	\$ 400.00
TOTAL ESTIMATED	\$ 568,234.22

DEPARTMENT	PERSONNEL SERVICES	CONTRACTUAL	COMMODITIES	DEBT SERVICE	CAPITAL OUTLAY	TOTAL
1010 EMERG. MGT. AGENCY	\$ 84,693.00	\$ 16,190.00	\$ 2,900.00		\$ -	\$ 103,783.00
1015 DISTRICT ATTORNEY	\$ 174,220.00	\$ 50,149.00	\$ 9,300.00		\$ -	\$ 233,669.00
1020 COUNTY COMMISSIONERS	\$ 169,039.00	\$ 134,818.00	\$ 8,550.00		\$ 316,190.00	\$ 628,597.00
1025 TREASURER	\$ 54,467.00	\$ 5,000.00	\$ 1,500.00		\$ 6,500.00	\$ 67,467.00
1030 FACILITIES MANAGEMENT	\$ 76,578.00	\$ 141,650.00	\$ 43,400.00		\$ 18,050.00	\$ 279,678.00
1065 REGISTRY OF DEEDS	\$ 131,595.00	\$ 79,988.00	\$ 8,550.00		\$ -	\$ 220,133.00
1070 PROBATE COURT	\$ 171,231.00	\$ 27,022.00	\$ 5,850.00		\$ -	\$ 204,103.00
1075 SHERIFF	\$ 1,024,964.00	\$ 161,100.00	\$ 41,700.00		\$ 100,760.00	\$ 1,328,524.00
1076 REG. COMM./DISPATCH	\$ 774,999.00	\$ 47,815.00	\$ 17,875.00		\$ 1,000.00	\$ 841,689.00
1080 ADVERTISING/PROMOTION		\$ 9,636.00				\$ 9,636.00
1090 AUDIT		\$ 9,500.00				\$ 9,500.00
1095 DEBT SERVICE				\$ -		\$ -
2000 INTEREST		\$ 10,000.00				\$ 10,000.00
2005 U. OF M. EXTENSION		\$ 36,300.00	\$ 4,525.00		\$ -	\$ 40,825.00
2025 EMPLOYEE BENEFITS		\$ 1,289,650.00	\$ 500.00			\$ 1,290,150.00
2035 W. C. SOIL & WATER		\$ 25,000.00				\$ 25,000.00
2040 RECORDS PRESERVATION (Law Library)		\$ -	\$ -		\$ -	\$ -
2045 RESERVES		\$ 50,000.00				\$ 50,000.00
2050 GRANT WRITING		\$ -				\$ -
TOTAL RECOMMENDED	\$ 2,661,786.00	\$ 2,093,818.00	\$ 144,650.00	\$ -	\$ 442,500.00	\$ 5,342,754.00
TOTAL JAIL (Capped by Legislation)	\$ 932,244.00	\$ 995,617.07	\$ 128,700.00	\$ Minus Revenues	\$ 998,106.56 \$ (222,314.63)	\$ 2,832,353.00
BUDGET GRAND TOTAL						\$ 8,175,107.00

STATE OF MAINE
COUNTY OF WALDO
COURT OF COUNTY COMMISSIONERS

District

1 Betty I. Johnson 323-3767
2 William D. Shorey 548-6114
3 Amy R. Fowler 993-2292



Phone (207) 338-3282
Fax (207) 338-6788
E-mail: comissioners@waldocountyme.gov

Barbara L. Arseneau
County Clerk

39-B Spring Street
Belfast, ME 04915

David A. Parkman
Treasurer

Dear Citizens of Waldo County,

The Board of Waldo County Commissioners is very pleased to present our annual report for 2013. We dedicate this report to you, the citizens and taxpayers of Waldo County; so many of whom selflessly devote countless volunteer hours in service to your communities.

As a Board, we are always concerned with keeping our annual budgets as low as possible while still providing excellent and diligent service to Waldo County citizens. Even though County revenue for 2013 was the lowest it had been in recent memory, we were able to replenish County reserve accounts; largely with undesignated funds as a result of careful fiscal management.

District 1 County Commissioner Betty Johnson has continued to work hard in the areas of economic development, grant research, healthy communities and workforce development. She represents the County Commissioners on the following committees: Coastal Communities Workforce Board, Waldo County Comprehensive Community Health Coalition Executive Board, Homeless in Maine Consortium, Mid Coast Economic Development District, EMA Emergency Operating Committee, Waldo County Wellness Committee and will serve as County Commissioner representative on the board for the Belfast Creative Coalition in the spring of 2014.

District 2 County Commissioner William Shorey has served a third year as Chairman of the Board of Waldo County Commissioners. During the fall of 2013 into early 2014, Commissioner Shorey worked on a second application under the expert leadership of City of Belfast Economic Director Thomas Kittredge, for a Brownfields EPA Cleanup Grant to remediate the Old Jailer's House and barn (former Waldo County Sheriff's Office) and Old County Jail for asbestos, lead-based paint and other hazardous building materials including universal wastes. Thanks to the great work performed by Mr. Kittredge along with Ransom Consulting, Inc., the Commissioners are very excited to report that this \$200,000.00 grant has been awarded to the County. We look forward to the upcoming remediation project and to determining appropriate reuse of these unique and historical buildings.

District 3 County Commissioner Amy Fowler continues to represent Waldo County on the Board of Corrections and Corrections Working Group for the consolidated statewide correctional system. During 2013, there was a flurry of proposed legislation pertaining to this consolidated system and Commissioner Fowler was highly involved with this process. She also has continued serving on the Executive Board of Directors for the Maine County Commissioners Association, the MCCA Annual Convention Planning Committee, the Judicial Branch Infrastructure Advisory Group, Waldo County Emergency Management Agency LEPC, and the E-9-1-1 Council. She drives a well-traveled path to and from Augusta.

The Waldo County Wellness Committee is in its second year. The gym reimbursement program for Waldo County employees has continued, with the County of Waldo paying up to half of an employee's

individual membership as long as the employee participates at the gym of their choice a minimum of twenty-five times each quarter. “Wellness” baskets or bags are provided for employees in each department twice a year with useful and inexpensive items that promote good health. The employees have expressed great appreciation for these items and have reported them to be helpful in maintaining good physical health along with being “a morale booster”.

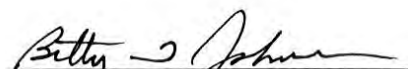
Other highlights for 2013:


- The County of Waldo’s Garden Project continued to grow both in size and production in its fourth season. Please see a separate report on this program following this letter.
- The County Commissioners hosted the second annual Maine Spirit of America ceremony on December 7, 2013 to honor Waldo County citizens for their outstanding volunteerism.
- The Commissioners would like to note that of the \$269,000.00 awarded in grant funding from the Federal Government in 2013 through the Maine Emergency Management Agency (MEMA), \$22,095.00 addressed technology needs.
- The County of Waldo Employee Handbook of policies was updated and reissued.
- The third collective bargaining unit contract for the Waldo County Deputy Sheriff’s Association was negotiated successfully during the fall of 2013 for 2014-2016.
- In early 2013, the County started implementation of an automated electronic payroll system, improving accuracy and efficiency in processing employee payroll.
- The County health plan made appropriate changes in compliance with the Affordable Care Act.
- 2013 marked the 100th anniversary of the County of Waldo funding the University of Maine Cooperative Extension.
- The Commissioners obtained copies of two County of Waldo maps, which are now framed and hanging in the Commissioners Office. One is dated 1859 and the other is circa the late 1890’s.
- In preparation to sell the approximately 100 acres of unused County land near the airport, an appraisal was performed in late fall of 2013. The Commissioners are actively working toward finding an appropriate buyer for this property.

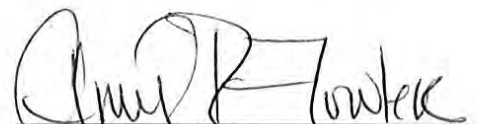
Your Board of Commissioners takes great pride and pleasure in serving you.

Respectfully yours,




Betty I. Johnson, District 1


William D. Shorey, District 2


Amy R. Fowler, District 3

District

- 1 Betty I. Johnson 323-3767
- 2 William D. Shorey 548-6114
- 3 Amy R. Fowler 993-2292



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Barbara L. Arseneau
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39-B Spring Street
Belfast, ME 04915

David A. Parkman
Treasurer

Waldo County Garden Project 2013



The Waldo County Garden Project is a program of the Maine Coastal Regional Reentry Center, Waldo County Sheriff's Office, County Commissioner William Shorey, Consultant Randy Doaks and Volunteers of America, which began in 2011. In that first year, the garden provided over 20,000 pounds of fresh produce delivered to many area food pantries, programs and agencies.

This year, the MCRRC garden brought over 26,000 pounds of fresh produce to the tables of those in need, including food pantries, soup kitchens, churches, our residents of the Reentry Center and numerous other nonprofits.

This season's array of crops included: green beans, yellow beans, tomatoes, broccoli, summer squash, zucchini, cucumbers, cabbage, yellow squash, potatoes, corn, carrots, beets, buttercup squash and pumpkins.

The goal is to expand the garden by 20 percent during the 2014 growing season.



WALDO COUNTY SHERIFF'S OFFICE

*6 Public Safety Way
Belfast, ME 04915*

SHERIFF

Scott L. Story

Administrative Offices

207-338-6786

Fax

207-338-6784

CHIEF DEPUTY

Jeffrey C. Trafton

Honorable Commissioners & Citizens of Waldo County

I offer what will likely be my final annual report as your Sheriff. As most know, I am not running for the office this year and plan on retiring a few months after my term ends at the end of this year. I will assist a new elected Sheriff next January with a transition to the Office and putting together a report to you next year. I have been honored to hold this office, in service to the citizens of Waldo County and have been privileged to have had your support. I have told many people that I am not running away from the job, which has been a wonderful career; I am simply excited to start a new adventure.

In these tough fiscal times, I am proud to report that the Sheriff's Office Patrol Division, once again, finished 2013 substantially under budget. We were fortunate on fuel prices, implemented cost savings in several areas, and were frugal in our capital purchases, to return approximately \$54,000 from our budget back to the county. We submitted a budget for this year that is nearly flat funded with last years numbers. We know times are tough and our goal is always to do the most we can with the least amount of increase in funding. The corrections budget has also maintained flat funding for this past year and will continue to do so in the upcoming year.

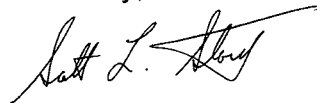
2013 brought a change in our cruiser fleet with the purchase of three Dodge pickups. Special service fleet pricing and outfitting finished the trucks for essentially the same money as the cars. Our need for a few four wheel drive vehicles for inclement weather and other details has become great over the last few years and it seemed the time to give them a try. So far, they have been a great addition to the fleet. While the fuel mileage is slightly off from the cars, the residual value of the vehicles at the end of their service cycle should make up the difference.

The reentry center continues to be a success and sets the bar for other centers across the country. Our prescriptive programming for individuals coming out of the system, back into society is reducing their risk factors substantially. An upcoming assessment by an outside consultant working with the National Institute of Corrections will give us a more definitive report in the upcoming year, however our own observations and statistical gathering indicate we are reducing risk of recidivism at substantial rates.

As we do every year, I am including statistical data for the patrol activities. We continue to aggressively enforce traffic and criminal code while also working hard with prevention. Officers of this agency are visiting our schools on a regular basis to work with staff on safety and crime prevention. These visits are conducted in a non enforcement, proactive, approach to help build partnerships with our education institutions. A Domestic Violence Team has been developed to address those high risk cases, provide support and safety plans for victims. We continue to be proactive in much of our work and reactive when needed.

In closing, I want to thank you, the citizens of Waldo County for allowing me to be your Sheriff for the last 14 years, it is a privilege to be chosen by the people to serve as THEIR Sheriff.

Sincerely,

A handwritten signature in black ink that reads "Scott L. Story". The signature is written in a cursive style with a long, sweeping horizontal line extending from the end of the name.

Sheriff Scott Story

<u>Nature of Call</u>	<u>Total Calls Received</u>	<u>% of Total</u>
Detail School	45	0.57
Detail Traffic	4	0.05
Disorderly Conduct	4	0.05
Disturbance	209	2.67
Domestic Disturbance	222	2.83
Controlled Substance Problem	50	0.64
Embezzlement	1	0.01
Escort	48	0.61
Explosives Problem	2	0.03
Fire	4	0.05
Fire Alarm	3	0.04
Fireworks	18	0.23
Forgery	1	0.01
Found Property	31	0.40
Fraud	97	1.24
Friendly Caller	19	0.24
Fuel Drive Off	32	0.41
Gas Leak/Fire	2	0.03
Ground Search	1	0.01
Background Investigation	4	0.05
Harassment	253	3.23
Criminal Homicide	1	0.01
House Check	52	0.66
Indecent Exposure	5	0.06
Industrial Accident	1	0.01
Information Report	347	4.43
Intoxicated Person	30	0.38
Juvenile Problem	74	0.94
Late Report of PD 10-55	49	0.63
Litter, Pollutn, Public Health	9	0.11
Lost Property	14	0.18
Medical Emergency	8	0.10
Medical Emergency EMD	107	1.37
Mental Medical	78	1.00
Message Delivery	17	0.22
Missing Person	23	0.29
Motor Vehicle Theft	15	0.19
Motorist Assist	160	2.04
Motor Vehicle Complaint	442	5.64
OUI Alcohol	5	0.06
Paperwork Service	51	0.65
Parking Enforcement	1	0.01
Parking Problem	5	0.06
Traffic Accident with Damage	387	4.94
Penobscot Narrows Brdg	11	0.14

<u>Nature of Call</u>	<u>Total Calls Received</u>	<u>% of Total</u>
Traffic Accident with Injuries	154	1.97
Probation Violation	1	0.01
Property Watch	11	0.14
Prowler	4	0.05
Public Assist	169	2.16
Rape	3	0.04
Recovered Stolen Property	1	0.01
Recovered Stolen Vehicle	1	0.01
Reported Death	5	0.06
Robbery	1	0.01
Runaway Juvenile	9	0.11
Search Warrant	17	0.22
Sex Offense	38	0.49
Speaking Engagement	9	0.11
Speed Complaint	13	0.17
Structure Collapse	1	0.01
Structure Fire	15	0.19
Suspicious Person, Circumstnce	354	4.52
Sweetser Incident	3	0.04
Theft	174	2.22
Threatening	109	1.39
Tobacco Problem	2	0.03
Traffic Hazard	67	0.86
Traffic Violation	140	1.79
Traffic Stop	1	0.01
Prisoner Transport	500	6.38
Unsecure Premises	8	0.10
Utility Pole Fire	1	0.01
Utility Problem	2	0.03
Vehicle Off the Road	11	0.14
Vehicle/Equipment Fire	4	0.05
VIN Verification	14	0.18
Violation Conditional Release	20	0.26
Violation Protection Order	45	0.57
Wanted Person	325	4.15
Water Rescue	1	0.01
Weapon Offense	4	0.05
Welfare Check	209	2.67
Wildfire	1	0.01
Wildlife Problem or Complaint	25	0.32
Inmate Work Detail	69	0.88

Total reported: 7833

The Annual Report of Waldo County Regional Communications Center/911

To The County Commissioners and Citizens of Waldo County.

Waldo County RCC/911 is your Public Safety Communications Center and 911 PSAP. The year 2013 was another busy year in dispatch with a growth in calls requesting service from the many departments that the Center dispatches to emergencies. The largest growth was in the number of 911 cellular calls that we received as we started to receive cell calls from a couple more carriers.

The year was also an active year in personnel changes with dispatchers coming and going. By year end our workforce had stabilized. We ended the year looking ahead and anticipating the training for and implementation of the “Next Gen 911”.

Although the total count for all categories was larger, the law enforcement segment did not grow as rapidly as the others due to The Town of Lincolnville not having a police department with a pro-active status.

As always we look forward to serving the Citizens of our County and ask for your continuing support of your Center. Please find comfort in the fact that we are here 24/7 ready, able and willing to serve your safety needs. Following are the stats for year 2013:

Calls For Service	38,555
911 calls	12,112
Telephone calls (not related to 911 or CFS's)	13,555
Radio Transmissions	267,746
Walk-ins (not related to CFS's)	323

Owen Smith

Owen Smith, Director



Waldo County Emergency Management Agency

4 Public Safety Way, Belfast, Maine 04915



The Annual Report for the Waldo County Emergency Management Agency

TO THE HONORABLE COUNTY COMMISSIONERS AND RESIDENTS OF WALDO COUNTY

Emergency Management

Events such as the Western wildfires, recent school shootings and the Ice Storm that stuck central and mid-coast Maine in December, demonstrate the need to be prepared for the types of natural and technological disasters that can impact our communities. Not being prepared can make the difference between life and death for large numbers of people and untold amounts of property damage.

The mission of the Waldo County Emergency Management Agency (EMA) is to mitigate, prepare, respond and recover from major emergencies and disasters that could impact the municipalities of Waldo County by coordinating with the municipal governments, other government entities and non-governmental organizations, and to establish and manage an organized effort to quickly respond and recover from such emergencies.

Emergency Management is more than just preparing for rare catastrophic events such as ice storms, large forest fires, flooding, earthquakes, hurricanes and terrorist attacks. Emergency management is the organization that helps to coordinate a unified emergency response by law enforcement, fire protection, emergency medical services, emergency communications and incident managers. The EMA organization provides training, exercising, grant opportunities and planning for our local emergency responders.

The EMA office was very busy during the Christmas week ice storm that knocked out electrical power to 80% of the County's residents for two to five days. The EOC generator and the Aborn Hill generator both stopped functioning during the power outage and work-a-rounds were put into place on Christmas Day. The Red Cross shelter at the Troy Howard Middle School assisted approximately 50 residents and 12 of their pets stayed in the Emergency Pet Shelter staffed by the County Pet Shelter Team. Unfortunately, the State of Maine was not declared a Presidential disaster area and the County and Towns will have to make up the costs on their own.

Our Volunteers

The County EMA office would not be able to accomplish as much as it does without our numerous volunteers. The County EMA is exceptionally supported by the following volunteer groups:

- The Town Emergency Management Directors
- The Incident Management Assistance Team (IMAT)
- The Radio Amateur Civil Emergency Service (RACES) ham radio operators
- The County Search and Rescue (SAR) Team
- The Hazardous Materials Decontamination Strike Team (DST)
- The County Animal Response Team (CART) – Pet Sheltering
- The Local Emergency Planning Committee (LEPC)

The volunteers donated over 2,000 hours in the year 2012. The Federal Government has established a "value" rate of \$17.55 for the hours that volunteers contribute. Our volunteers contributed the equivalent of \$35,000.

Capitol Improvements and Grants

In order to ensure that the County has an effective and reliable emergency management system, the County EMA office develops plans for capitol improvements; researches, writes and submits grant applications; completes permitting requirements; competes project engineering, inspections and administration; and contracts with vendors and consultants in order to provide these systems. Our big project this year was to complete the construction and begin operation of a new radio tower at the Public Safety Building. The tower came on line in May. All radio traffic from the County Dispatch Center and EMA is transmitted from this new tower.

This year, the County EMA office was able to acquire around \$269,000.00 in grant funding from the Federal government through the Maine Emergency Management Agency (MEMA). The Emergency Management Performance Grant (EMPG) accounted for a little over \$72,000.00 of this sum. The Town of Palermo received nearly \$68,000 in Mitigation road funds.

A used 2004 Ford E350 Step Van with 20,000 miles was purchased in November to be used as a new Mobile Command Post. This was a joint endeavor between the Sheriff's Office and the EMA. This van will replace the 1985 Ford E350 converted ambulance. It is hoped that this will be a very useful tool for law enforcement, fire and EMS departments throughout the County.

Exercises and Training

EMA facilitated 19 training courses over the course of the year, several which were a week in duration. Over 2,000 personnel hours were accomplished in EMA training classes alone. The office provided emergency management, incident command, communications, and hazardous materials training to 236 students.

The EMA office hosted one (1) workshop, six (6) tabletop exercises, twelve (12) drills, three (3) functional exercises and two (2) full scale exercises. Many of the exercises tested our incident management and communications volunteers. We completed a 2-day "base-camp" field exercise, which hosted teams from four other counties. EMA participated in a two-day communications drill and a three-day EOC functional exercise, both of which were hosted by the Department of Defense's Northern Command.

Emergency Planning

Works continues on the development of a County Continuity of Operations Plan. This plan addresses the impacts of an emergency on the employees and facilities on the County government. It develops procedures for getting county government services back on line as soon as possible. The EMA office also worked with the RSU3 school district to develop floor plans of all the elementary schools in the district.

Closing

I would like to close by taking this opportunity, to once more, thank the many volunteers that assist the Waldo County Emergency Management Agency; for they greatly improve our emergency management capabilities. I also want to thank my Deputy Director, Olga Rumney and my Communications Planner, Brit Rothrock for their amazing support and accomplishments. I would also like to give my thanks to Rob Hoey and Doug Nelson for their hundreds of volunteer hours donated to EMA in 2013. Their efforts and time have helped to build a much stronger and capable County EMA program.



Dale D. Rowley, CEM, PE, MA, Director
Waldo County Emergency Management Agency

Report of the District Attorney

Waldo County generally has more cases for prosecution than other counties of similar size. This trend continued in 2013, although we did see a small decline in the number of cases we handled. The total of adult criminal cases filed in court was 1241. Of the total, 1010 were filed in the District Court. This is smaller than in 2012 but similar to the 2011 figure. Juvenile cases declined, from 97 in 2012 to 78 in 2013. This is similar to the numbers reported in 2006 and 2007, followed by substantial increases in subsequent years. If the recent low number is part of a long-term trend we could see declines in adult cases as well, because young offenders too often become adult offenders. However, juvenile numbers have fluctuated significantly over the years and this trend may not continue.

The office also prosecuted 256 civil violation cases in District Court, for non-criminal offenses such as Illegal Possession of Liquor, many Inland Fisheries and Wildlife offenses, and Possession of Marijuana. This was nearly identical to the 2012 figure of 255. These numbers have declined steadily from a peak of 367 cases in 2008, which appears to reflect the need of law enforcement to focus its resources on criminal matters and away from non-criminal, fine-only matters.


The most serious cases are prosecuted in Superior Court, where jury trials are available. There were 231 cases in 2013, a slight decline from 2012. Most cases involve at least one felony-level offense. During 2013 many of the serious cases were prosecuted by veteran Deputy District Attorney Eric Walker of Belmont. As he neared the end of his second decade as a prosecutor his sound judgment and trial skills became so notable that early in 2014 he was nominated for a District Court Judgeship. He expects to serve throughout central Maine. During much of 2013 Eric was assisted by Assistant District Attorney (ADA) Katie Sibley of Rockland. Katie's work ethic is notable. She resigned late in 2013 to become an Assistant Attorney General prosecuting serious drug cases. We were fortunate to find a capable replacement in ADA Katie Hollstrom of Belfast. The final member of the attorney team continues to be ADA Lindsay Jones of Rockland, who handles juvenile matters in each of the four counties in our district. This is a difficult but vital role.

The attorneys are supported by a team of county employees. During 2013 there were several staff changes and the 2014 roster is significantly different from past years. Prosecutorial Assistant Lori Perez of Hope was performing very well in this new position. Unfortunately for us, an excellent opportunity opened up in her original career field of conservation law enforcement, and she resigned late in 2013. With other departures during the year, including long-time Administrative Legal Secretary Carla Rogerson of Searsport, and our experienced part-time Victim-Witness Advocate Harriet (Happy) Kearns of Camden, the remaining staff faced substantial challenges. Felicia Story of Monroe was promoted from District Court Legal Secretary to replace Carla, and has met her new challenges with energy and skill. Megan Carter of Jackson succeeded Felicia as Legal Secretary and has been very successful. Victim-Witness Advocate Katie Butler of Appleton has been extraordinarily valuable during this difficult transition period. As I write this report we have just welcomed two very experienced law enforcement professionals to the office. Retired State Police Detective Dean Jackson of Morrill

is the new Prosecution Assistant, and former probation officer Eric Harvey of Belfast is the part-time advocate. Waldo County is fortunate to have so many capable, energetic and experienced employees in the District Attorneys office.

During 2013 the office continued to address long-term challenges, such as the well-known connection between substance abuse and criminal activity. Abuse of narcotics is an aspect of all too many crimes. One of the most dangerous drugs, heroin, is becoming more widely abused, with sometimes lethal consequences. Domestic violence remains one of our most urgent concerns, and elder abuse is a developing issue with many similar elements. Public safety resources are likely to remain limited despite these many serious problems. We are successful in our work only when we coordinate closely with other public safety entities: law enforcement, courts, corrections, probation, and diversion programs such as Volunteers of America and the Restorative Justice Project. The District Attorney's Office is proud to be a participant in Waldo County's coordinated criminal justice system.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Geoffrey Rushlau', written in a cursive style.

Geoffrey Rushlau,
District Attorney

SUSAN W. LONGLEY, Judge
SHARON W. PEAVEY, Register
JUDITH M. NEALLEY, Deputy



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STATE OF MAINE
PROBATE COURT—WALDO COUNTY
BELFAST

WALDO COUNTY PROBATE COURT ANNUAL REPORT 2013

To the Honorable Waldo County Commissioners & Citizens of Waldo County

We continue to strive to treat all who parties appearing either in the Office of the Register or Waldo County Probate Court fairly and respectfully. Professionally, we also work hard and take great pride in working efficiently. And we would like to think our ideas and efforts continue to save parties before us, as well as the county taxpayers, both valuable time and money.

Our monthly payment system continues to work well. Month after month, most parties pay on-time. These monthly co-payments are based on each party's acknowledged ability to pay if put on a monthly payment plan. These monthly payments, coupled with a maximum fee policy for appointees, also have helped us limit the costs of court appointments.

We continue to enter cases into our docket management program and allow public access at *maineprobate.net*. We have a state-of-the-art internal case management system that insures that we move each case forward as fast as possible.

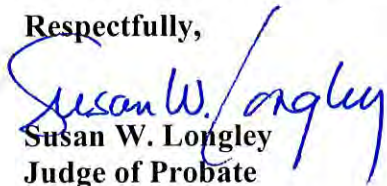
In serving the citizens of Waldo County, we again would like to thank our wonderful staff. These include our Deputy Register Judy Nealley and our Probate Clerks, Cari Carver and Elaine Russell, and Security Officer Gregory Morse. Waldo County citizens can be very proud to have these people at their service.


Beyond the above, we would like to close by stating that the Year 2013 was a year in which parties opened 271 new probate cases, with 35 concerning minor guardianships, 42 concerning adult guardianships and/or conservatorships, 26 name changes, 17 adoptions and 16 concerning decedents' formal estates. We also have processed 481 passport applications, including 387 passport photos.

Located at 39A Spring Street in Belfast, we serve you Monday through Friday from 8:00 a.m. to 4:00 p.m., with additional hours as emergencies require.

Thank you, too, for your ongoing interest and support.

Respectfully,


Susan W. Longley
Judge of Probate


Sharon W. Peavey
Register of Probate



University of Maine Cooperative Extension's successful educational programs result from a federal, state and county government partnership. Since 1919, when the Maine Legislature passed the County Extension Act¹, the University of Maine has been in all Maine communities with a county office whose operations are funded by county government. Our educational programs anticipate and respond to local and state needs and issues. We also communicate those issues and opportunities to UMaine faculty to influence their research and development plans.

A sampling of our educational program areas:

- Agriculture Business & Community
- Food & Health
- Gardening & Horticulture
- Home, Family & Youth
- Natural Resources
- Insect & Plant Disease
- Management Safety & Preparedness

2013 Annual Report Waldo County

The Waldo County office of the University of Maine Cooperative Extension serves the citizens of our county with hands-on educational information and programs. Our programs are designed with citizen input and tailored to meet specific local needs. Our county office is also part of a statewide organization and the national Extension system. This allows our county office to bring more resources, programs and learning opportunities to the people of our communities.

This annual report features some of the important accomplishments of our programs as well as financial information about Extension at the state and county level.

Making a Difference

For more than 95 years, University of Maine Cooperative Extension has worked with Maine volunteers to offer community-driven, research-based educational programs in every county.

Our annual report features highlights of recent accomplishments and the difference we make in the lives of Maine citizens and their communities.



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EXTENSION PROFESSIONALS:
Don Hoeng: Extension Veterinarian x1020
Viña Lindley: Food Systems/Youth Development Professional, x1013

4-H PROGRAM AIDE:
Joyce Weaver x1012

MAINE FAMILIES:
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Ellie Weider x1017
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Agriculture and Natural Resources, Kennebec and Waldo

Deborah Killam, Extension Educator, Extension Homemakers 581-3874

Waldo County Extension Association

The Waldo County Extension Association is the legally constituted official organization for conducting Extension work in the county; its services are available to all residents according to the County Extension Act.

The membership of the Association includes all residents in the county participating in Extension work. This is an opportunity to join others with a broad range of interests and a common desire to help Maine people improve their lives through an ongoing educational process, using the latest in research-based knowledge.

An elected County Extension Executive Committee is selected from the Association membership. Meetings are usually scheduled on the 2nd Monday of each month.

President
Sara Trunzo, Unity

Vice President
Erica Buswell, Searsport

Secretary
Anna McGiillard, Belfast

Treasurer
Rose Rapp, Morrill

Members
Ben Bucklin, Belmont
Ian Collins, Liberty
David McDaniel, Jackson
John Pincince, Lincolnville
Anne Rothrock, Knox
David Schofield, Knox

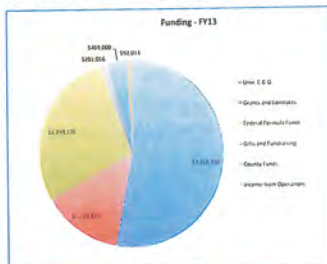
University of Maine Cooperative Extension Waldo County



Local Partnership

Our County Extension Association is the vital link between the county, our communities and UMaine. The Association's Executive Committee is comprised of local volunteers who represent community interests by advising UMaine Extension staff on educational programs, advocate for and secure funding from county government to support the county office, oversee the office budget and facilities, and guide UMaine Extension staff in identifying their programming goals.

Statewide Extension Funding



As a unique partnership among federal, state and county governments, UMaine Extension uses funding from Maine counties and the University to match and leverage support from the United States Department of Agriculture, other federal grantors, state agencies and private foundations. Each county UMaine Extension office is also part of a statewide organization and the national Extension system.

UMaine Cooperative Extension Support for Waldo County

2013	
Local Salaries and Benefits	\$621,650
Prorated Support from UMaine*	\$396,398
Computer Equipment & Networking	\$4,925
Statewide Animal Diagnostic Lab	\$3,293
Marketing, Publications, Video	\$1,943
Local Programming Expenses	\$891
Postage	\$2,880
Telephone	\$1,277
Travel	\$28,345
Total	\$1,061,603

Without statewide support, UMaine Extension would not be present in this county. Funds for projects are provided through the University of Maine, Federal Formula Funds, grants, contracts, and fees. Dollars from other sources support salaries and benefits for Extension Specialists, County Educators, Extension administration, computer equipment and networking, publications, postage, telephone, and travel.

Newsletters and Collaborative Websites

4-H on the Move

www.umaine.edu/waldo/programs/4h/newsletter
Monthly electronic newsletter covering county, state & national 4-H activities, news and resources

Maine Climate News

www.extension.umaine.edu/maineclimatenews
The latest interesting update from our State Climatologist

Maine Home Garden News

www.umaine.edu/gardening/maine-home-garden-news
A local resource designed to equip home gardeners with practical information with monthly updates.

Publications Catalog

www.extensionpubs.umext.maine.edu
Listing of available University of Maine Cooperative Extension publications

Signs of the Seasons: a Maine Phenology Project

www.umaine.edu/signs-of-the-seasons
Participants help scientists document the local effects of global climate change by observing and recording the phenology (seasonal changes) of common plants and animals.

Maine Grass Farmers Network

www.umaine.edu/livestock/mgfn
MGFN supports farmers by gathering and providing information about:

- potential advantages of growing grass as managed pasture for livestock.
- increasing profitability to keep farms viable and to maintain the rural character of our communities
- taking advantage of Maine's short growing season and cool climate.
- utilizing pasture lands effectively, while improving animal health, product quality, and market advantage.

The County Extension Act

The County Extension Act explains the role of county government in funding local Extension offices.

Cooperative extension work shall consist of the giving of practical demonstrations in agriculture and natural resources, youth development, and home economics and community life and imparting information on those subjects through field demonstrations, publications and otherwise. For the purpose of carrying out this chapter, there may be created in each county or combination of two counties within the State an organization known as a "county extension association," and its services available to all residents of a county. The county extension is viewed as a unique and important educational program of county government. The executive committee of each county extension association shall prepare an annual budget as requested, showing in detail its estimate of the amount of money to be expended under this chapter within the county of counties for the fiscal year. The executive committee shall submit to the board of county commissioners on a date requested by the county commissioners, and the county commissioners may, if they deem it justifiable, adopt an appropriate budget for the county extension program and levy a tax therefor. The amount thus raised by direct taxation within any county or combination of counties for the purposes of this chapter shall be used for the salaries of clerks, provision of office space, supplies, equipment, postage, telephone, a contribution toward the salaries of county educators and such other expenses as necessary to maintain an effective county extension program.¹

¹Excerpted from Title 7, Chapter 7 of the Maine Revised Statutes, §191-§195

Home Horticulture

Youth Gardening



The *Maine Apprentice Gardener Program* was in 3 schools with Master Gardener and community volunteers. *Kids Can Grow* was held for 12 children and their families. Schools and teachers also received training, technical support, and materials.

Photo Harvest Hands

Master Gardener Volunteer Program

Participants received over 46 hours of in-depth training in the art and science of horticulture. In return they volunteered 40 hours or more in their communities. Ongoing projects include school gardens, public presentations, civic beautification, and growing produce for those in need. In 2013, 197 volunteers gave over 5,800 hours of volunteer time

Photo Belfast Garden Club MGVS at the Waldo Extension office



Resources for Home & School Gardeners:

Master Gardener Volunteer Program:
www.umaine.edu/gardening/master-gardeners
 UMaine Extension, Gardening & Yard: www.umaine.edu/gardening
 Pest Management: www.extension.umaine.edu/ipm
 Maine Harvest for Hunger: www.umaine.edu/harvest-for-hunger
 Maine School Garden Network: www.msn.org
 YardScaping: www.maine.gov/dact/php/pesticides/yardscaping/index.htm

Liz Stanley, Horticulture Community Education Assistant
elizabeth.stanley@maine.edu

Maine Harvest for Hunger Groups and individuals in Knox, Lincoln and Waldo Counties grew over 8,000 pounds of produce for food banks and soup kitchens.



Photo Parsnips at Palermo Community Garden

Gardening Client Calls

In 2013, Knox, Lincoln and Waldo Counties received over 650 questions from home and school gardeners. Topics included pests, diseases, soil testing, invasive species, and how to grow vegetables, fruits and ornamentals. We provided clients with direct help, resources, trainings, and expert advice from specialists.

Photo Polyphemus Moth



Agriculture and Natural Resources

RESEARCH & EDUCATION

Cover crop and no-till corn silage production

Rick Kersbergen continued his research and education efforts working on increasing acreage of no-till corn and the use of cover crops with dairy farmers throughout the state. Research results (including those from farmers in Waldo County) indicate that adoption of this growing technique saves substantial time and money, reducing costs and improving profitability of farms. Cover crop and no-till adoption is a proven way to reduce environmental impacts from farm operations.

For his work in this area, Rick won the National Sustainable Agriculture Innovations award from the National Association of County Agricultural Agents (NACAA) and the USDA Sustainable Agriculture Research and Education (SARE) program. The award was presented at a national conference in Pittsburgh in August.

Organic Dairy Research

Organic dairy farmers are increasing in number and Maine, and research on ways to improve their practices is part of a research project funded by USDA Organic Research and Extension Initiative. A currently funded project is a regional one, and includes researchers from Maine (Kersbergen), New Hampshire, New York, Vermont and Pennsylvania.

As part of the program, Rick Kersbergen conducts forage trials at UMaine's Rogers Farm in Old Town and also measures pasture productivity and milk response on three organic dairy farms. Starting in 2014, the research will include feeding trials in which cows will be fed flax seed to see the impact on organic milk quality and quantity. Research continues on organic grain production in conjunction with the Northern New England Organic Bread Wheat Project.

Corn silage Variety Trials

Now in the 10th year, the state corn silage variety trials are managed by Rick Kersbergen and Caragh Fitzgerald, represent some of the best corn varieties available to growers in Maine. This data is critical for producers who now spend significant amounts of operating capital each spring on corn seed. Making informed decisions about varieties that perform well in Maine conditions is critical to profitability.

Senior College

Rick Kersbergen organized and taught a 7-week class at the Hutchinson Center. This class focused on sustainable garden practices and was designed for beginning home gardeners wanting to produce more of their own food in limited space. Rick has worked closely with Kennebec Valley Community College and their new sustainable agriculture program. He has served as both an advisor to the program and as a consultant for farm operators.

Rural Living Day

In its 20th year, Rural Living Day was held at Mount View School with amazing success! Participants were treated to over 20 different workshops. This fundraiser facilitated the scholarship award of \$500 to Mt View graduate Anastasia Tsomides of Waldo County.



Tractor Safety Courses

This is the 24th year Rick Kersbergen has offered and taught this course, working with Inghram's Equipment in Knox. After successful completion of the 5 week class, teenagers ages 14-16 earn a federal certificate allowing them to operate tractors as part of their farm employment. This program draws both young and old. In 2013, 14 youth and adults completed the certification program, learning and demonstrating how to operate all types of farm equipment safely. Rick also works with MOFGA and Johnny's Selected Seeds to host a tractor and equipment safety class for their farm apprentice program and employees.

Ag Education Programs and Partnerships

Extension in Waldo County partners with agencies such as the Maine Organic Farmers and Gardeners Association (MOFGA) and producer groups such as the Maine Grass Farmers Network (MGFN) to coordinate educational programs such as pasture walks, Small Farm Field Day and the Farmer-to-Farmer conference. Farmer-to-Farmer was held in Waldo County in November of 2013 with over 300 people coming from throughout the Northeast. Extension also hosts the website for MGFN www.umaine.edu/livestock/mgfn and organizes their Annual Grazing Conference.

Rick works closely with the Maine Organic Milk Producers (MOMP) and helps provide educational programs and a unique equipment-sharing program. Organic dairy farms now make up over 20% of all dairy farms in Maine.

Small farmers continue to call the office for assistance. Some of these are to explore new opportunities in agriculture and others are to try and solve problems.

New livestock as well as vegetable operations are starting up in Waldo County as a result of a renewed interest in local foods and healthy lifestyles. Many individual farm meetings and sessions were held in 2012. Extension also partnered with Maine Farmland Trust on new farmer programs. Extension now hosts a website for beginning farmer resources at www.umaine.edu/beginning-farmer-resource-network. Rick Kersbergen and his co-workers produced a webinar series for beginning farmers. Over 120 potential farmers throughout the state registered for the course in 2013.

UMaine Extension in Waldo County hosts the Maine Hay Directory, which serves as a resource for farmers marketing hay as well as those animal owners in need of feed www.extension.umaine.edu/Waldo/hay.

Extension also hosts the website for the Maine Grass Farmers Network www.umaine.edu/livestock/mgfn

State and National Representation

Rick Kersbergen serves on several state organizations and holds leadership roles. He has served on the State Nutrient Management Review Board since 2000. He served as vice president of the Maine Sustainable Agriculture Society with Ex-Agricultural Commissioner Robert Spear as President. Rick also served as a cooperating research scientist with the Agricultural Research Service New England Plant Soil and Water Lab in Orono. Rick is a cooperating member in the Department of Animal & Veterinary Science at UMaine.

Rick currently serves as the chair of MOFGA Certification Services Management committee.



Online Small Business Library

Find the Library online at www.umaine.edu/ext-business/online-small-business-library

Don't miss the Virtual Resource Library that includes resources for growing your own business in the following areas:

- NEW Business Workshop Calendar
- 24 small business management topics, like
 - Advertising
 - Customer service
 - Insurance & Marketing
 - Pricing and more
- Business assist organizations
- Lending agencies
- Trade associations
- Surviving tough times

Small Business Program

Educational resources are provided to county residents who operate or are considering starting a home-based or small business. Major components of the current county program are:

- Publications - 24 different business management fact sheets are available in print and online
- Cashing in on Business Opportunities - a free online educational curriculum.

4-H Youth Development

Youth Development Programming

Cooperative Extension Youth Development programs teach life skills through an experiential hands-on learning process. There are many opportunities for youth to participate in 4-H (traditional 4-H clubs, independent study, afterschool program partnerships and clubs, homeschool groups, camps and learning centers, school partnerships, STEM (science, technology, engineering and mathematics) programming, county, regional, state and national events). To view what happened in Waldo County, the chart "How were youth involved in 2013 4-H Programming" has been provided.

Volunteers are the key for making quality youth programming possible. As UMaine Youth Development Volunteers, adult and teen mentors decide what youth program to become involved in; based on how much volunteer time they can comfortably give. If you would like more information on how you can become a UMaine Youth Development Volunteer, please call your local extension.

How were youth involved in 2013 4-H Programming?		
	Females Youth	Males Youth
Traditional 4-H Clubs	34	21
Independents	15	11
Afterschool Programs	199	407
Family Science Night	79	60
Citizenship Washington Focus	5	
National 4-H Congress	1	
National 4-H Conference	1	
Tanglewood Camp and Learning Center	979	962
	Female Volunteers	Males Volunteers
Club Leaders	5	
Club Volunteers	3	2
Independent Volunteers	12	4
Afterschool Volunteers	8	1
NEW Food System Programs		
Home Healthy Snacks Class	5 youth	
Harvest Lunch	169 students	
National 4-H Science Experiment	65 students	

Homeschool Healthy Snacks Class

Over the course of 6 weeks in November and December Food Systems and 4-H Professional, Viña Lindley taught a kid's cooking class. The class took place at the home school cooperative that meets in Belfast and focused on healthy snacks. There were 5 students ranging in age from 5-7 years old. Classes included hands-on nutrition lessons, kitchen safety and cooking & eating healthy delicious snacks. Some snacks kids cooked included: kale chips, popcorn, hummus & home made whole-wheat pita chips.



Inclusion in Afterschool Programs: UMaine Extension designed the Inclusion in Afterschool curriculum, which applies principles of positive youth development to out-of-school settings. Professionals learn about the Americans with Disabilities Act, inclusive practice, and moving beyond a disability to meet an individual's needs. Our staff trained 65 childcare workers, and program directors (as future trainers). Flexible curriculum tools allow professionals to create supportive relationships and remove barriers to participation. With each trainee reaching more than 20 children, over 1,300 children have been helped.

Results: With prompting from the Inclusion curriculum, teachers examined the language they use to describe children with disabilities, and how cultural norms of intelligence, physical ability, and communication can hinder seeing children as individuals. As teachers examined how their perceptions affect their actions, they increased their capacity to create truly inclusive learning environments, which benefit all children. For each child who can remain in a regular group afterschool setting because of this training, their families save at least \$11,000 per year in childcare costs. Children living in poverty are at greater risk of having disabilities, so society also benefits because families can apply the savings to their other needs, and because of intangible social benefits to the child from remaining in a group program. By incorporating all youth into program planning via methods outlined in the Inclusion curriculum, the setting, content, activities, and participants will be more inclusive.

Kids Can Grow: UMaine Extension's Kids Can Grow program (KCG) is an adaptable hands-on youth gardening program established for ages 7-12. This year KCG took place in 5 locations throughout Maine, with 108 youth each taking full responsibility for their part of a garden. They learned about plant development, weeds, pests, cooking, nutrition, and food safety, and engaged in regular physical activity while gardening.

Results: KCG participants ate more and different vegetables and learned to understand why that is positive, a practice that will continue to improve their lifelong health. Participants felt pride and built a sense of competency as a result of their gardening success. They experienced positive adult relationships through mentoring, and performed community service by

donating some of their harvest. Nearly 98 percent successfully started, maintained, harvested, and ate vegetables. Ninety percent prepared vegetables and learned food safety practices. Eighty-seven percent exhibited improved understanding of USDA's My Plate program and how and why to make healthy meal and snack choices. Parent evaluations showed that ninety-five percent indicated their child experienced a self-esteem boost.

Maine Harvest for Hunger: The economy's long, slow rebound from the "great recession" and high unemployment give Maine the highest rate of food insecurity in New England. Forty-three percent of food-insecure people in Maine do not qualify for food stamps or any other government program. It is especially challenging to afford high quality, fresh, nutritious food. Nearly 500 home gardeners, UMaine Master Gardeners, and other volunteers in about 14 Maine counties collectively logged more than 5,000 hours through UMaine Extension's Harvest for Hunger Program that grows fresh fruits and vegetables for donation to needy people in Maine. The program's objectives are to mitigate hunger, improve nutrition and health, and help the recipients develop lifelong positive nutritional habits.

Results: In 2013, our Harvest for Hunger Program donated more than 108 tons of vegetables and fruit to 152 food banks, shelters, and charitable organizations around the state. The value of the produce was over \$365,380, based on a market sales price averaging \$1.69 per pound. Many recipients also received cooking and gardening lessons offered along with the program helping to build self-reliance and health for the future.

extension.umaine.edu

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WALDO COMMUNITY ACTION PARTNERS (WCAP)

TO: THE HONORABLE COUNTY COMMISSIONERS OF WALDO COUNTY

WCAP's mission is "To create opportunities for people to improve their quality of life". WCAP's partnerships with the County of Waldo and 26 of the 26 municipalities in Waldo County supports WCAP's mission by making it possible to provide essential services valued at **\$6,089,744.00** for Waldo Counties low-income population and public transportation for Waldo County people from October 1, 2012 to September 30, 2013.

Public Transportation is available for all Waldo County Residents to Belfast, Bangor, Rockland, Waterville and Augusta on a regular basis. In this last year WCAP provided transports traveling 1,784,855 miles for 2,012 people residing in Waldo County.

WCAP's Outreach and Referral office assisted low-income families with heating their homes keeping 4,736 people warm last winter.

140 Low-income families were provided an opportunity to participate in WCAP's Head Start Program strengthening families in education, health care, social skills and the emotional growth of their children.

Car seat safety checks are held each month by certified staff. Waldo CAP has free car and/or booster seats available for families that meet the income guidelines. 155 New car seats were distributed along with training on how to use them safely.

WCAP's Weatherization Program installed weatherization deterrents such as: insulation, air infiltration, carbon monoxide detectors, exhaust fans, and poly ground cover in the homes of 133 qualifying families.

WCAP manages the Federal Emergency Management Contract that supplies funding for local food cupboards. 2,318 individuals received food under this WCAP service several times each month.

WCAP worked in partnership with People for People along with volunteers and civic groups to distribute 1,788 food baskets at Thanksgiving and again at Christmas to needy families in Waldo County.

A new program "Ride with Pride" was developed to integrate disabled people into the community by providing 50% of the cost of voucher dollars for the people to pay for their rides that they arrange for any purpose.

Community Services Block Grant funds support programs and the overall operations of the agency making it possible for these services to be delivered in Waldo County:

SERVICE STATISTICS:

Program Services Provided	Number Served		Dollar Value of Service	
Transportation	1,784,855	Waldo Vehicle Miles	Operating	\$ 1,546,173.00
		Out of County Miles	In-kind	\$ 317,302.00
	2,012	Individuals	Total	\$ 1,863,475.00
Home Energy Assistance (HEAP)	2,233	Households	Operating Benefit	\$ 144,692.00
	4,736	Individuals	Amount	\$ 1,246,857.00
			Total	\$ 1,391,549.00
Energy Crisis Intervention (ECIP)	325	Households	Operating Benefit	\$ -
	781	Individuals	Amount	\$ 122,212.00
			Total	\$ 122,212.00
Head Start and Child Nutrition	140	Households	Operating	\$ 1,287,243.00
	151	Individuals	In-kind	\$ 278,303.00
			Total	\$ 1,565,546.00
Weatherization	30	Households	Operating Benefit	\$ 142,287.00
	85	Individuals	Amount	\$ 181,443.00
			Total	\$ 323,730.00
Donated Commodities (Food)	943	Households	Operating	\$ 12,521.00
	2,318	Individuals	Food Value	\$ 138,104.00
	(monthly, not annually)		Total	\$ 150,625.00
Central Heating Improvement (CHIP)	55	Households	Operating Benefit	\$ 11,913.00
	117	Individuals	Amount	\$ 32,911.00
			Total	\$ 44,824.00
Early Head Start	57	Individuals	Operating	\$ 576,897.00
	77	Visits	In-kind	\$ 50,886.00
			Total	\$ 627,783.00

Community Projects

County Wide Community Projects Under Community Services Block Grant:

Electric Lifeline Program (ELP)

Child Care Food Program-19 Homes/106709 Served

Above Ground Storage Tank Program-6 Households

Safety Seat Program-Seats-155 Car Seats

Holiday Projects: Thanksgiving Baskets - 760 & Christmas Baskets - 1028

Neighbor for Neighbor - 1181 Families

Cinderella Project - 223 Individuals

TOWNS

TOTAL \$ 6,089,744.00

News Item:

In 2014 the State of Maine chose not to renew the MaineCare Brokers contract for brokering MaineCare transports in Region 5 (Waldo, Knox, Lincoln and Sagadahoc Counties plus the towns of Brunswick and Harpswell in Cumberland County). The State of Maine advertised a Request For Proposals to provide the broker services beginning in 2014.

The Waldo Community Action Partners (WCAP) submitted a 260 page proposal, competing with four national and one local company to provide the brokerage services and was the top bidder.

The Brokerage Contract will bring 17 new jobs to Waldo County at a new branch office called the Mid-Coast Connector located at 139 Searsport Avenue in Belfast, Maine.

WCAP is funded in part by the Maine Department of Health and Human Services, Maine Department of Transportation, Waldo County government and Waldo County municipalities.

Waldo County SWCD 2013 Major Accomplishments

The Waldo County Soil & Water Conservation District would like to take this opportunity to thank the Waldo County Commissioners for their continued support and are proud to report the following accomplishments the district completed due partly to Waldo County funding.

- Honored outstanding conservationist of the year at the 2013 Annual Meeting/Banquet
- Provided technical assistance and guidance to many Waldo County individuals and municipalities.
- 33 individuals and units of government installed one or more conservation practices
- Wrote 19 Environmental Quality Incentive Program (EQIP), 10 Conservation Security Program (CSP) and 6 Wildlife Habitat Incentive Program (WHIP) contracts amounting to \$750,000 allocated for county farmers and producers to assist with manure storage construction, heavy use areas, fencing, seeding and grazing projects on over 6,000 acres in Waldo County
- Conducted fundraising projects with the annual Tree, Shrub and Trout sales.
- Continued supporting partner organizations including Maine Organic Farmers and Gardeners Association, Maine Farm Land Trust, Maine Farm Bureau, Friends of Unity Wetlands, Future Farmers of America
- Hosted a local working group for the Natural Resources Conservation Service to assist in determining and prioritizing the natural resource concerns for Waldo County.
- Hosted & assisted on several workshops for camp road erosion, forestry, and proper culvert installation for contractors, code enforcement officers and licensed plumbing inspectors.
- Partnered with NRCS and University Extension on a SARE Grant that focused on no-till seeding and utilizing covers crops to reduce fuel and fertilizer costs for Waldo County farmers.
- Partnered with Somerset, Kennebec and Knox-Lincoln SWCD's on the Lead for Loons MOHF grant project promoting the usage of non-lead fishing tackle.
- Partnered with Knox-Lincoln and Kennebec SWCD to sponsor and conduct the Mid-Coast Regional Envirothon competition for state-wide high school teams where they competed against each other in the areas of soils, forestry, aquatics, wildlife and a pertinent conservation related current issue. Regional winners went on to compete at the state level then to the national competition.



MIDCOAST ECONOMIC DEVELOPMENT DISTRICT ANNUAL REPORT

2013-2014

MCEDD 2013 – 2014 ANNUAL REPORT

To Our Members

2013-2014 has been a year of big change for MCEDD. We expanded the membership of our Executive Committee from 7 to 11 members, were successful in securing a level of funding from all our member counties and we hired two staff members to join the MCEDD team. This progress, in addition to the many programmatic successes we've had over the past year, are positive signs that MCEDD is on the path to maturing as an organization. We gratefully acknowledge the commitment and dedication required by our members and leadership that has enabled us to increase the level of service we can provide to you.

STRATEGIC HIGHLIGHTS

MCEDD's Board of Directors and Executive Committee has formed Strategic Planning and Partnerships Committees. The purpose of the Strategic Planning Committee, chaired by Board member John Gibbons, is to help determine our organizational priorities, in line with the needs of our members and the Midcoast's business community. The Partnership Committee, chaired by Board member Staci Coomer, is identifying required partners and a framework for developing these partnerships necessary to implement the identified priorities. Both John and Staci have been extremely proactive in developing plans that are practical, targeted and will provide clear direction to MCEDD as the organization continues to grow and mature.

FINANCIAL HIGHLIGHTS

MCEDD has grown its capacity for economic development and municipal services dramatically since 2011. From an initial \$62,000 federal grant and no staff, MCEDD is providing almost \$900,000 worth of services to the region in FY 15 with a staff of three and one half professionals. Combined, the MCEDD staff represent more than seven decades of economic development, planning, municipal services and project management experience. Although MCEDD is still very much in a formative phase, the dramatic expansion of organizational capacity and the active participation of a majority of its fifty three communities reflects the strong need for regional services in the Midcoast.

PROGRAMATIC HIGHLIGHTS

MCEDD has had a number of success over the past year in securing grants, delivering services and programs and developing a number of strategies and plans for our region. A snapshot of our current activities includes:

- Working with Mobilize Midcoast Maine Action Teams and the Leadership Team to further develop and implement strategies related to the local food, manufacturing & technology, experiential tourism and workforce development sectors.
- Finalizing the 2014 Comprehensive Economic Development Strategy (CEDS) for the Midcoast.



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MCEDD 2013 – 2014 ANNUAL REPORT

- Administering a Brownfields Assessment Program, with a \$400,000 grant we received from the Environmental Protection Agency
- Waiting on a funding announcement from USDA regarding the implementation of findings from a Solid Waste Management Plan we developed in 2013
- Working with businesses across the region to continue offering them support in starting up, expanding,

LOOKING AHEAD

MCEDD has applied for over \$230,000 in grant funding to progress a number of projects, mostly related to the Mobilize Midcoast Maine Program but also for the continued delivery of programs such as Brownfields, Solid Waste Management Planning, the Loan Program and land use technical assistance. Securing this funding will also serve to strengthen our financial position and increase our capacity to provide services to our members and businesses across the region.

As strategic and partnership planning efforts continue we are confident this work will help MCEDD to further engage with our members and the private sector and build relationship with organizations that can provide complimentary services. This will aid us in our ability to expand the services we offer and avoid duplication of efforts across the region.

In general engagement with our member communities will be a key priority over the coming year as we plan to focus on increasing our awareness of the programs and services we are able to provide.

Jeff Kobrock
Executive Director
May 30, 2014



Mobilize Maine

AN OVERVIEW OF YEAR 1

In 2012 MCEDD and the other 6 Economic Development Districts across Maine were funded by the U.S. Economic Development Administration (EDA) to implement the **Mobilize Maine** program. Mobilize Maine is a statewide initiative to revitalize the economy. The initial funding was for one year, with a second year available with good performance.

Mobilize ME a new way of doing economic development. The traditional approach focuses on problems and needs and its aim is to qualify for a government grant. The Mobilize ME process focuses on assets and opportunities. Its aim is to make the case for new private investment and supportive government policies and its process is the same that a private business would follow in identifying a new growth opportunity.

Mobilize Midcoast Maine began in the spring of 2012 by creating a **Leadership Team** for the project. The team's role is to champion the process, guide analysis and planning and participate in the action teams.

The Leadership Team identified benchmarks for economic success for the region. They provide statistical measures of where the region is in terms of population, jobs, income, entrepreneurship, tourism, Main Street development – and set measurable goals for progress by 2017. This will be an accountable process – people will be able to see whether it is working or not.

The Leadership Team then considered the list of several hundred assets developed through the exercises, and looked most carefully at the top 25 or so identified in each group as special. They distilled the assets into four key clusters. The clusters were chosen to represent the highest potential for economic growth in the years ahead. The four clusters identified include:

- Food, Fishing & Farming
- Manufacturing & Technology
- Natural and Cultural Attractions
- Talent

Goals were then developed and reviewed by the Leadership Team. Below is a summary of the four Action Teams and the goals for their key focus areas:

- **Food, Farming, Fishing Action Team Strategy** - Support effort to engage local farmers, food product entrepreneurs, restaurants, and wholesalers in proposed new food hub program in Topsham. *Note: The Topsham food hub is being developed as a facility for washing, light processing, packaging and refrigerating/freezing local farm products. It will purchase products directly from local farmers and aggregate them for sale to high volume institutional buyers such as schools, grocery store and restaurants, thus providing new market opportunities for local growers.*



- **Manufacturing & Technology Action Team Strategy** - Produce an inventory of Midcoast manufacturers' assets;
 - use results to implement cluster development.
- **Natural and Cultural Assets Action Team Strategy** - Institutionalize experiential tourism effort in Midcoast.
- **Talent Action Team Strategy** - Offer opportunities and incentives to young natives, tourists, campers, college students, visitors

THE FOCUS FOR YEAR 2

Institutionalizing Mobilize Midcoast Maine

We recognize the importance of institutionalizing the MMM process as the economic development paradigm for MCEDD. In order for Mobilize Maine to truly encourage economic development in the Midcoast it cannot be a stand-alone process, it needs to be fully integrated into every aspect of the way MCEDD conceptualizes, approaches and implements economic development activities.

This includes a number of steps such as making the Comprehensive Economic Development Strategy (or CEDS) for the region into a living document which guides many of MCEDD's programmatic priorities (particularly Mobilize Midcoast Maine), is used to seek funding for identified projects and is updated to reflect the progress or changes to the focus or direction of the Mobilize Midcoast Maine Leadership and Action Teams.

We must also commit to the principal of asset based economic development, where we are focusing on how to leverage our existing assets to create economic growth as opposed to focusing on our deficits and trying to find funding to fill those gaps.

It is also essential that we continue to work directly with the private sector to plan and implement our economic development activities. Having a great idea in relation to economic development is only useful when there is backing from the private sector to make it a reality.

A statewide CEDS

Over the past year MCEDD has been working with the State's 6 other EDD's to develop a statewide CEDS. This will be the first document of its kind which lays out an economic development strategy for the entire state on a region by region basis.

Action Teams

The real driver for Year 2 of Mobilize Midcoast Maine is the work of the 4 action teams. The work of the Action Teams can be characterized by the following:

- Constantly scanning for opportunities
- Constantly evaluating members and potential members in relation to opportunities



- Acting on economic impact analysis and with direction from Leadership Team (Accountable, measurable)
- Bringing ideas/people into the process and spinning off measurable/meaningful results.

In addition to the above MCEDD will:

- Work to find and secure funding for Mobilize Midcoast Maine projects identified by the Action Teams in order to inject funding into these projects
- Ensure clusters are well identified and their economic potential/impact is understood
- Work with the Leadership Team to increase private sector participation

Principles

- Work within our capacity – keep the focus on quality not quantity
- Fail fast to conserve capacity
- Seek and foster partnerships whenever possible
- Measure activities against adopted benchmarks/goals

Resources or inputs to be successful

- Engaged Leadership Team
- Engaged Action Teams
- Analysis to
 - Understand present state of clusters
 - Recent Trends of clusters
 - Potential impact of proposed cluster development activities



Comprehensive Economic Development Strategy (CEDS)

As the Midcoast's Economic Development District MCEDD is charged with delivering a CEDS for the region on a yearly basis. As stated above our CEDS is influenced by the Mobilize Midcoast Maine Program and directly aligns with the goals, benchmarks, strategies and activities determined by the Leadership and Action Teams.

The following provides the highlights of the 2014 CEDS.

OVERVIEW OF 2014 CEDS

Vision for the Midcoast region

The following were identified by the Mobilize Midcoast Maine Leadership Team as visions for what the Midcoast should strive to achieve over the coming years:

1. To be widely known for our "authentic Maine" quality of life – with historic town centers, working waterfronts, scenic islands and rolling hills and farms
2. To be a place where residents and newcomers can find jobs, start businesses, buy homes raise families and engage in lifelong learning.
3. To be a place where producers, processors, transporters and marketers prosper together by turning the region's food and fish into high-value Maine products
4. To be a place where the distinction and talent of its people draw visitors and new residents from around the world

Goals by year 2017

In order to know if the strategies and actions we are pursuing are achieving the vision we have for our region we must have tangible and measurable goals to track our progress. The Mobilize Midcoast Maine Leadership Team and Action Teams identified the following goals, based on the region's identified unique assets and sector's poised for growth.

Goals

1. Accelerate the growth of the Midcoast's local food sector
2. Expand job opportunities in the manufacturing and technology sectors across the region
3. Increase experiential tourism opportunities which attract new visitors to the Midcoast throughout the year
4. Attract and retain young talented people to the region while utilizing the skills and experiences of older talented people in the Midcoast

Benchmarks

1. Grow the 25-44 population by 6%



2. Increase the adult population with 4-year college degrees by 19%
3. Increase the number of businesses by 3%
4. Lower the vacancy rate on Main Streets by 2.5%

Challenges

- 51.7% of the region's population is age 45-65, which makes the Midcoast the oldest region in Maine, which is the oldest state in the US. This presents a significant challenge in supplying a workforce that attracts investment and businesses to the region
- The proportion of prime working age people in the Midcoast, 25-44 year olds, has declined by 35% in the past decade. This further underscores the challenge of supplying a workforce that can attract employment opportunities
- 57% of the region's income is derived from retirement income – this poses a challenge in creating a climate of innovation and risk
- Though the Midcoast has high rates of educational attainment the income by educational attainment in the Midcoast lags behind the Maine and US averages. This could have a negative impact on attracting and retaining a young and highly educated workforce

Six Drivers of Growth and Prosperity

1 Asset based cluster development

In a modern knowledge based economy the skills and knowledge of people are the most important drivers of growth and development. This combined with the challenges many regions in Maine face in lacking the critical mass necessary for attracting employers and sustaining economic growth means that asset based cluster development provides the best opportunity for successfully encouraging and sustaining economic growth. Geographically concentrated, interconnected companies and related supporting institutions can result in a competitive advantage for a region by reducing costs, increasing competition and collaboration and fostering innovation that encourages economic growth

2 Entrepreneurship & Innovation

There is increasing recognition that economic growth must come from within Maine. MCEDD is committed to fostering an environment that supports entrepreneurs and entrepreneurial activity

3 Education & Workforce Development

As a region the Midcoast is highly educated. We lead Maine and the US in the percentage of people over 25 with Higher Education Degrees. Unfortunately, this does not always translate into high paying jobs. This underscores the importance of ensuring that education and training opportunities available in the Midcoast meet the skill requirements of employers on the Midcoast or provide the skills necessary to allow individuals to seek self-employment opportunities



4 Access to capital

One of MCEDD's core services is to help businesses who are starting up, expanding or growing find the capital they need. MCEDD works in partnership with a variety of lending institutions to offer gap financing to qualifying businesses in the Midcoast. As part of this service MCEDD works directly with businesses and the Small Business Development Center to provide the necessary assistance business owners need to qualify for finance.

However, MCEDD also recognizes there are many untapped or underutilized sources of capital that need to be brought to the attention of business owners and entrepreneurs in the region

5 Infrastructure & Environment

Our region is unlikely to grow or attract the businesses and entrepreneurs if we do not have the public infrastructure (water, sewer, electric, gas, telecommunications/ broadband, rail, airports, roads and natural and cultural facilities) necessary to support the industry sectors we wish to attract in the Midcoast.

It is unlikely that Federal or State funding alone will be able to address the challenges faced by the Midcoast in ensuring our infrastructure networks support and encourage growth. Therefore, communities in the Midcoast must work collaboratively together and with the private sector in order to ensure our infrastructure is able to support our economic development goals

6 Leadership

Meeting our goals will be impossible without strong leadership from the private and public sectors working in partnership. MCEDD must also provide leadership in identifying our leaders and fostering the relationships necessary for encouraging economic activity. We need to bring the right people together to move forward with the strategies, projects and activities that are necessary for making a difference

MCEDD is fortunate to have a strong Mobilize Midcoast Maine Leadership Team with representatives from the public and private sector who are committed to economic development within the region and strong organizational leadership from the public sector who recognize the importance of working collaboratively with the private sector

CEDS Projects – Identified Regional Priorities

MCEDD was fortunate to receive 17 CEDS projects submissions for this year which is a substantial increase from the 9 we received in 2013. While all of these projects will play a valuable role in the region some are at a further stage in their development and have thus been ranked as a higher priority for implementation

Highest Priority Projects – Key Regional Investments

- Maine Harvest Company Food Hub – Topsham



- The facility will store and process food in the former Navy commissary at the Topsham Commerce Park
- Ragged Mountain Recreational Area – Camden
 - Adding chairlifts for alpine skiing and mountain biking, constructing a new main lodge, improving trails, parking and infrastructure to increase year round tourism to create a regional destination for events and functions at Ragged Mountain Recreation Area.
- Route One Water, Sewer and High Speed Fiber Extension – Rockport
 - The project is to install sewer and water along an 8,000 foot length of the Route One corridor completing our goal of providing these services in our commercial growth area. High speed fiber would also be installed to serve businesses along the corridor especially Pen Bay Hospital and other medical offices along the corridor.
- Harbor Park and Public Pier – Rockland
 - The project involves building an amphitheater, constructing a boardwalk, shifting parking, creating a separate entrance for boat docking and upgrading the public pier to create a regional asset that, together with new private investments, will create an identifiable place and Gateway to the City and Midcoast Maine.
- Tech Place Business Incubator at Brunswick Landing – MRRA
 - Phase 2 of Tech Place, an Advanced Science and Technology Business Incubator at Brunswick Landing, would provide for additional roof repairs and building improvements and incubator fit-up to support the identified industry clusters

High Priority Projects – Vital Regional Projects

- Harbor Parking Area and Parking Lot – Damariscotta
 - Subsurface and above ground renovation and repair of Damariscotta's current harbor waterfront parking lot
- Sanitary Sewer System Upgrade at Brunswick Landing – MRRA
 - Upgrades to Brunswick Landing's sanitary sewer collection and pump station system
- Building Renovations at Brunswick Landing – MRRA
 - This project will help to make the critical investments in buildings to make them ready for the civilian marketplace

Regionally Significant Projects



- Wing Farm/Hodgdon Lot Redevelopment – Bath
 - Construction of a state-of-the-art composite boat building facility in the Wing Farm Business Park
- Route 27 Utility Expansion – Boothbay
 - One mile extension to water and sewer infrastructure network to Boothbay's industrial and commercial park
- Waterfront Boardwalk – Wiscasset
 - Development of a Riverfront Boardwalk from the Commercial Route 1 Pier along the Sheepscot River in Wiscasset
- Building Demolition at Brunswick Landing – MRRA
 - Demolition of dilapidated or functionally obsolete buildings at Brunswick Landing which are not suitable for redevelopment.
- Redevelopment of Mason Station – Wiscasset
 - Design and engineering for commercial and industrial reuse of Mason Station.
- Guildford Lot Redevelopment – Bath
 - Redevelopment of a lot in Bath's waterfront district into a parking facility/hub for multi-modal transportation
- Expansion of iPark – Wiscasset
 - Feasibility and planning of extension of road, water and sewer in order to expand portions of the former Maine Yankee site
- Stinson Site Redevelopment – Bath
 - Comprehensive development strategy for the redevelopment of the former Stinson Cannery site in Bath



Brownfields Program

In June of 2013 MCEDD was awarded with a region-wide Brownfields Assessment Grant by the U.S. Environmental Protection Agency (EPA). According to the EPA a brownfield is a real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant.

The intent of MCEDD's Brownfields Initiative is to support community efforts to generate and implement creative strategies in redeveloping brownfield sites. For MCEDD, this effort will focus on creating a prioritized list of brownfield sites within MCEDD's service area in Midcoast that will then be marketed to communities and developers for redevelopment projects. In addition, the combined Hazardous Substances and Petroleum Products Assessment Grant will allow MCEDD to determine if a site is a brownfield, and if so the extent of contamination, and the cost of the remediation work necessary to make these sites more attractive to potential developers.

MCEDD has undertaken the following activities over the past year to deliver our Brownfields Assessment Program.

- We selected Ransom Environmental Consulting as the consultant who will be undertaking all the technical assistance required for this program
- We have formed a Brownfields Advisory Committee that is a mix of town officials, commercial real estate brokers, housing developers and leaders of community based organizations. The Advisory Committee will be responsible for providing direction to the program including
 - o Prioritizing sites for assessment
 - o Assisting with outreach and landowner and community education efforts
 - o Providing guidance in regards to clean up and reuse planning
- With the Advisory Committee we identified 4 sites where we will engage their landowners to offer Phase 1 Assessments
- We are creating a page on our website (www.mceddme.org) to serve as a web portal for all information about our Brownfields Program
- We will begin a solicitation process over the summer to encourage interested landowners to nominate their properties to participate in the program

It should be noted that during the solicitation process MCEDD will be focusing specifically on engaging landowners in the northern portion of Knox County and our communities in Waldo County to participate in the program



Solid Waste Management Planning

In fall of 2013 MCEDD completed a Solid Waste Management Study for Lincoln, Knox and southern Waldo County focusing on the region's solid waste system and identifying opportunities to increase diversion of waste via increased recycling and composting. To increase recycling, the plan is to utilize existing infrastructure and facilities, with an increase in economic motivation through enhanced pay as you throw (PAYT) programs. For composting, the plan relies on the existing facilities located throughout the region (some of which could serve the function of regional facilities) as the physical size of the region would result in large costs to truck waste to centralized facilities.

The recommendations of the plan are detailed below.

2013 MCEDD SOLID WASTE MANAGEMENT STUDY RECOMMENDATIONS

Waste Reduction and Reuse

In order to promote waste reduction and reuse it would be beneficial for facilities, with appropriate capacity, to expand their swap shops. Those who do not have the capacity should consider engaging with organizations such as Goodwill, The Salvation Army, Restore, etc. to determine if there are opportunities for developing agreements to accept donations.

Disposal of Solid Waste

The communities should continue to track their residential waste disposal rate in lb/capita/year and seek to reduce this rate on an annual basis, through measures that promote reuse, reduction, and recycling.

In order to improve data collection, record keeping and to track changes over time, it would be worthwhile to investigate the availability of software to better automate this process. This could be done collectively amongst all the facilities/municipalities in the region. This would have a dual purpose of standardizing the data collected and reducing costs of putting this process in place.

Management of Solid Waste

There are opportunities within the region to rationalize facilities, which would result in reduced costs and increased efficiencies. Smaller facilities that are in close proximity to larger facilities with appropriate capacity should consider whether entering into agreements with these facilities, as opposed to operating their own, would result in significant cost savings for their communities.

Pay as You Throw

For those towns without PAYT, we recommend implementation of a PAYT program. Current PAYT programs should consider an upward adjustment to the pricing for waste disposal. Any increases in fees could be



combined with the introduction of organics recycling programs to provide residents with a money saving alternative to simply paying higher costs for MSW disposal.

Recyclables Collection

We recommend that before towns convert to single stream recycling programs they survey their communities, develop detailed financial models, and work cooperatively with other facilities/towns across the region to explore opportunities for cooperative purchasing agreements prior to converting from multi-material collection to single stream recycling programs.

The Maine State Prison should be approached regarding the potential for developing a program in partnership with facilities across the region for processing mattresses and box springs for recycling.

Organics

Based on the current experience level, the initial focus for organics begins with low-level composting technologies. We recommend a number of activities to promote and advance organics diversion throughout the region, in the following order:

Provide technical assistance to existing yard waste operations to upgrade to active windrow compost facilities.

Promote backyard composting through an educational campaign and provision of compost bins.

Promote food residual composting at primary and secondary schools through purchase of small in-vessel compost units (i.e., less than \$1000 per unit).

Provide a food waste container at existing transfer station/recycling centers to allow residents to divert food waste from disposal. Collected food waste can be added into one of the existing yard waste compost facilities.

Regional Cooperation

Recommendations for more regional cooperation include the following:

- Allow residents across the region to use any municipal facility in the region with payment of appropriate PAYT fees
- Put in place regional contracts with solid waste service vendors that each town can use, with the goal of reduced pricing through higher volumes. This could be particularly effective for hauling MSW as the majority of facilities/municipalities within the region dispose of MSW at PERC. Most towns already have haul and dispose contracts for a number of MSW items.
- Develop an e-mail group for the solid waste managers to share and solicit ideas and solutions to issues. Have an annual meeting to further relationships and cooperation.
- Development of a model ordinance for solid waste that supports PAYT programs and recycling, particularly of organics.



PROPOSED 2014 SOLID WASTE MANAGEMENT PROJECT

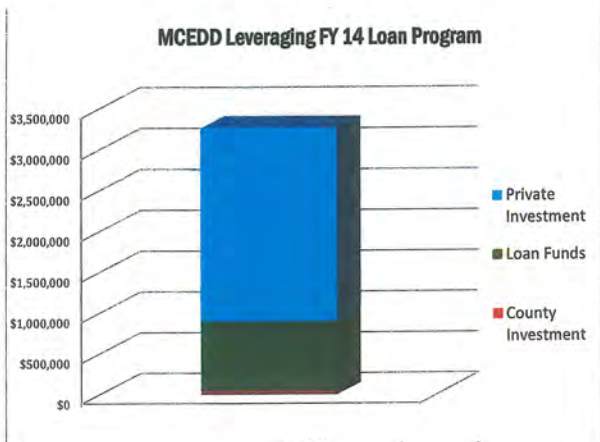
MCEDD applied to USDA's Solid Waste Management Program for a 2014 project that will focus on implementing many of the recommendations identified above across the entire region. A funding announcement is expected in June.



Revolving Loan Fund

The MCEDD Revolving Loan Fund (RLF) provides gap financing for businesses who wish to start up or expand by acquiring real estate, improving the buildings they operate from, securing working capital and purchase furniture equipment, inventory and supplies. MCEDD works in partnership with many commercial lenders across the region to develop financing packages that meet the needs of our clients.

The graphic below illustrates the amount of private investment MCEDD has been able to leverage through the loan program, with the support of our member Counties, to help businesses in our region start up or expand



Cooperative Purchasing

For the first year ever MCEDD, in partnership with the Greater Portland Council of Governments (GPCOG), was able to offer a Cooperative Purchasing Program to all of its members. The Cooperative Purchasing Program brings together municipalities and counties to leverage the buying power of 37% of State's population for the purpose of saving money through group purchases on goods and services. For 2014 the following items are available for purchase through the program:

- Road Striping
- Paving, Reclaiming and Crack Seal
- Tires and Repair Services
- Flags
- Catch Basin Cleaning
- Tree Trimming and Removal
- Copier Paper
- Office Supplies
- Gasoline/Diesel
- Heating Fuels
- Culvert Pipe
- Road Salt
- Signs and Accessories
- Snow Plow Cutting Edges

On average 23 municipalities participate in each bid and 5 vendors bid per item. This has the potential to achieve very competitive price value for MCEDD members. For example in the past year the Cooperative Purchasing Program has accounted for approximately \$16,000,000 in joint purchasing with an average of 10% saving of approximately \$1,600,000 for its members.



Core Services

In addition to the programs and services described in the sections above MCEDD also provides the following services to its members:

TECHNICAL ASSISTANCE

Regional Land Use and Transportation Planning Services

- Comprehensive planning
- Ordinance and zoning review and updating/redevelopment
- Transportation planning—Corridor Management Plans, Bicycle and Pedestrian Planning
- Planning board assistance
- Coastal planning

Economic Development Projects

- Project Development
- Identifying Funding

Community Development Projects

- Project Development
- Identifying Funding

SMALL BUSINESS DEVELOPMENT CENTER (SBDC)

Comprehensive business management assistance to the small business community through a network of professional, certified business counselor.

MAINE PROCUREMENT TECHNICAL ASSISTANCE CENTER (PTAC)

Assistance for Maine-based companies that are interested in selling their products and/or services to local, state or federal government agencies, either as prime contractors or subcontractors.



Contract Services

Over the past year MCEDD has worked directly with a number of our members municipalities including Rockland, Camden, Bowdoinham and Richmond to deliver a number of services. Many of these services would normally require a county or municipality to seek the services of a consultant. However, MCEDD is able to provide these services for our members at a significantly reduced rate.

TAX INCREMENT FINANCING

- Bowdoinham —CMP investment, new District to Support Municipal Economic Development Plan
- Rockland — Amendments to two existing TIF's
- Camden — Amendment to existing TIF

ECONOMIC & DEMOGRAPHIC RESEARCH

- Economic profiles for business retention, expansion and attraction
- Community profiles to determine demographics, population growth, housing, income levels, commuting information

GRANT PROJECT DEVELOPMENT AND ADMINISTRATION

- CDBG Downtown Revitalization, Façade, Economic Development and Community's for Maine's Future Grants

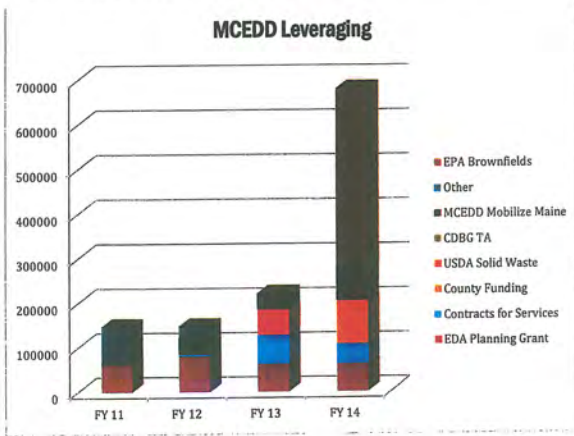
ECONOMIC AND COMMUNITY DEVELOPMENT 'RETAINER'

- Identifying Funding
- Project Development
- Special projects and reports as requested and agreed on for member municipalities



The Value We Bring to the Region

The following graph provides an overview of the amount of funding leveraged by MCEDD for every \$1 of investment into the region by the Economic Development Administration



Contact Information

JEFF ROBROCK EXECUTIVE DIRECTOR	SCOTT BENSON ECONOMIC DEVELOPMENT DIRECTOR	AUDRA FALLEN BELL PLANNING & COMMUNITY DEVELOPMENT DIRECTOR
Tel (207) 370-6045 jrobrock@mcddme.org	Tel (207) 443-5790 sbenson@mcddme.org	Tel 370-6045 acaler@mcddme.org

MCEDD Contact Information

Midcoast Economic Development District
 P.O. Box 62
 165 Main Street, Damariscotta, ME 04534
 Tel (207) 370-6045
 Fax (207) 3700-6016
www.mcddme.org



County of Waldo, Maine

ANNUAL FINANCIAL STATEMENTS
(with required and other supplementary information)

For the Year Ended December 31, 2013

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Email: bta@btacpa.com

Independent Auditor's Report

County Commissioners
County of Waldo, Maine
Belfast, 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 Waldo, Maine as of and for the year ended December 31, 2013, 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.

Auditor's Responsibility

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

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

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

Basis for Qualified Opinion on Governmental Activities and General Fund

The activity reported for the District Attorney's Restitution Account has not been audited, because of a lack of sufficient documentation to perform audit procedures appropriate in the circumstances for expressing an opinion.

Qualified Opinion

In our opinion, except for the possible effects of the matter discussed in the “Basis for Qualified Opinion” paragraph, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information for the County of Waldo, Maine as of December 31, 2013, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the capital projects fund and the aggregate remaining fund information of the County of Waldo, Maine, as of December 31, 2013, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

Change in Accounting Principles

As described in Note 1 to the financial statements, the County adopted the provisions of GASB Statement 61, *The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34*, GASB Statement 65, *Items Previously Reported as Assets and Liabilities* and GASB Statement 66, *Technical Corrections - 2012 - an amendment of GASB Statements No. 10 and No. 62*. The opinion is not modified as a result of this matter.

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 6 through 12 and pages 32 through 33 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 response 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 Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 2, 2014, on our consideration of the County of Waldo, Maine's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County of Waldo, Maine's internal control over financial reporting and compliance.

Chasler Thibodeau & Associates

Bangor, Maine
June 2, 2014

We, the Board of Waldo County Commissioners, wish to acknowledge and thank the following employees who served the County of Waldo during 2013:

DEPARTMENTS

COUNTY OF WALDO EMPLOYEES - 2013

1010 EMA

Dale Rowley, EMA Director
Olga Rumney, Deputy EMA Director

1015 District Attorney's Office

Felicia Story, Legal Secretary/Admin Legal Secretary
Kathleen Butler, Victim/Witness Advocate
Carla Rogerson, Administrative Legal Secretary
Harriet C. Kearns, P/T Victim Witness Advocate
Lori Perez, Prosecutorial Assistant/Supervisor
Megan Carter, Legal Secretary

1020 Commissioner's Office

Barbara A. Arseneau, County Clerk
Linda Kinney, Deputy County Clerk
Michelle Wadsworth, HR/Payroll Director

1025 Treasurer's Office

David A. Parkman, Treasurer
Karen J. Trussell, Deputy Treasurer

1030 Facilities

Keith Nealley, Facilities Manager
Gary Daigle, Facilities Technician

1050 Jail

Raymond Porter, Correctional Administrator	David Lindahl, P/T Corrections Officer
Robert Walker, Detention Manager	Robert Cartier - P/T Training
Christopher Albert, Corporal	Paul Lisenby, P/T Corrections Officer
Joshua Bowles, Transport Supervisor/Corporal	Timothy Parker, P/T Corrections Officer
Stephen Cole, Corporal	Barrett Russell, P/T Corrections Officer
Chad Corbin, Corrections Officer	Elmer Sweetland, P/T Corrections Officer
Seth Curra, Corrections Officer	Mark Bennett, P/T Corrections Officer
Matthew Hall, Corrections Officer	Amy Bither, P/T Corrections Officer
Randy Fox, Corrections Officer	
Matthew Hopkins, Corrections Officer	
Michael Hopkins, Corporal	
Laurel Kragh, Corrections Officer	
Richard Roberts, Corrections Officer	
Carlene Thornton, Kitchen Program Mgr/CO	
Walter Wagner, Corrections Officer	

DEPARTMENTS

COUNTY OF WALDO EMPLOYEES - 2013

1065 Registry of Deeds

Deloris Page, Register
Stacy Grant, Deputy Register
Amy Keller, Clerk
Julie Howard, Clerk

1070 Probate Court

Sharon W. Peavey, Register of Probate
Susan W. Longley, Judge of Probate
Judith Nealley, Deputy Register
Cari Carver, Clerk
Elaine Russell, Clerk

1075 Sheriff's Office

Scott L. Story, Sheriff
Jeff Trafton, Chief Deputy
Jason Bosco, Patrol Detective
Dale C. Brown, Patrol Sergeant
Matthew C. Curtis, Detective- Patrol Deputy
James Greeley, Patrol Sergeant
Gerald Lincoln, Jr., Detective
James I. Porter, Patrol Deputy
Merl L. Reed, Detective
Benjamin L. Seekins, Patrol Deputy
Daniel P. Thompson, Patrol Deputy
Jason Trundy, Lieutenant
Arthur Smith, Patrol Deputy
Nicholas Oettinger, Patrol Deputy
Kevin Littlefield, Patrol Deputy
Darin Moody, Patrol Deputy
Jordan Tozier, Patrol Deputy
Kyle Wasiela, Patrol Deputy

Katherine Cunningham, Administrative Secretary
Brenda G. Dakin, Administrative Assistant to the Sheriff
Christopher Dyer, P/T Patrol Deputy
David Wintle, P/T Patrol Deputy
Christopher West, Patrol Deputy
Wendall Story, Civil Process
John A. Ford, Sr., Civil Process
Robert B. Keating, Civil Process

1076 Communication Center

Owen Smith, Director
Michael R. Larrivee, Dispatch Shift Supervisor
Elizabeth Daggett, Dispatcher Shift Supervisor
Melissa S. Pooler, Dispatch Shift Supervisor
Andrew Cardinale, Dispatcher
Paul E. Haskell, Dispatcher
Misty Lewis, Dispatcher
Stephanie Lunt, Dispatcher
Rebecca Bryant, Dispatcher
Jennifer White, Dispatcher
Katie R. Dakin, Dispatcher
Elena V. Donovan, Dispatcher
Lori Mazzeo, Dispatcher

Christopher Therrien, Dispatcher
Jennifer Lavway, Dispatcher
Linda Wry-Remillard, Dispatcher
Sulian Shay, Dispatcher
Matt Varney, Dispatcher

Kelsi Story, P/T Dispatcher
Amber Stanhope, P/T Dispatcher
Brian Wright, P/T Dispatcher
Justin Tozier, P/T Dispatcher

County of Waldo, Maine
Management's Discussion and Analysis (MD&A) (UNAUDITED)
December 31, 2013

The following section, titled the Management Discussion & Analysis, presents a narrative overview and comparative analysis of the financial activities of the County of Waldo, Maine (the County) for the fiscal years ending December 31, 2013 and 2012. This data is reported in a manner designed to fairly present the County's financial position and the results of operations of the various funds and account groups of the County. All disclosures necessary to enable the reader to gain an accurate understanding of the County's financial activities have been included.

FINANCIAL HIGHLIGHTS

- The County's assets exceeded its liabilities at December 31, 2013 and 2012 by \$6,650,420 and \$5,914,616, respectively. Of these amounts, \$3,066,673 and \$2,408,943, respectively, is available to be used for the County's ongoing obligations.
- The County's total net position increased by \$735,804 and \$607,053 during fiscal years 2013 and 2012, respectively.
- The combined fund balance of the County's governmental funds as reported on the fund financial statements increased by \$697,873 to \$3,318,663.
- On a budget basis, the County had a budgeted deficiency of \$56,755. There was a positive budget variance of \$215,740, which increased the budget basis fund balance further. These amounts can be used to fund future expenditures of the County.

OVERVIEW OF FINANCIAL STATEMENTS

The discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of four components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements, and 4) required supplementary information. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements – The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the County's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements outline functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the County include emergency management, district court, register of deeds and probate, and protection. These statements would also separately report the activities of any business-type activities, which rely upon user fees and other charges. The County has none of these business-type activities.

The government-wide financial statements include the County, as well as the operations of Congress Hill Street Property, LLC, a legally separate entity created by the County to manage the condominium units acquired by the County. Both the County and CHSP, LLC are considered part of the primary government.

The government-wide financial statements can be found on pages 13 - 14 of this report.

Fund financial statements - A fund is a group of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds, although the County has only governmental fund type funds.

Governmental funds - Governmental funds are used to account for essentially the same functions reported as government activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the County's near-term financing requirements.

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 County'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.

The basic governmental fund financial statements can be found on pages 15 - 18 of this report.

Notes to the basic financial statements - The notes to the financial statements provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 19 - 31 of this report.

Required supplementary information - In addition to the basic financial statements and related notes, this report also presents required supplementary information, which provides additional information on the County's budget and comparison to actual results.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position as reported on the government-wide financial statements may serve over time as a useful indicator of a government's financial position. The change in net position serves to report how the County as a whole performed financially throughout the year.

Net Position for the Periods Ending December 31, 2013 and 2012

The following table is a condensed summary of the County's net position compared with last year:

	<u>2013</u>	<u>2012</u>
Current and other assets	\$ 3,554,298	\$ 2,902,630
Capital assets, net	<u>3,576,938</u>	<u>3,521,724</u>
Total Assets	7,131,236	6,424,354
Current liabilities	198,035	244,240
Noncurrent liabilities	<u>282,781</u>	<u>265,498</u>
Total Liabilities	480,816	509,738
Net Position		
Investment in capital assets (net of debt)	3,563,741	3,490,169
Restricted	20,006	15,504
Unrestricted	<u>3,066,673</u>	<u>2,408,943</u>
Total Net Position	<u>\$ 6,650,420</u>	<u>\$ 5,914,616</u>

The largest portion of the County's net position reflects its investment in capital assets (e.g., land, buildings and improvements, vehicles, and furniture and equipment, net of accumulated depreciation, less any related debt used to acquire those assets that is still outstanding). The County uses these capital assets to provide services to its population; consequently, these assets are not available for future spending. Although the County'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.

The County's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

Changes in Net Position for the Periods Ending December 31, 2013 and 2012

The following table presents a summary of governmental activities compared to last year:

	<u>2013</u>	<u>2012</u>
REVENUES		
Charges for services	\$ 641,064	\$ 611,521
Operating grants and contributions	661,543	878,408
Capital grants and contributions	13,001	9,521
General revenues		
County taxes	4,833,766	4,684,653
Deeds transfer taxes	58,239	49,476
Courthouse rental income	90,635	88,891
Interest income	5,104	9,654
Miscellaneous	<u>27,236</u>	<u>24,998</u>
Total Revenues	<u>6,330,588</u>	<u>6,357,122</u>
EXPENSES		
Emergency management agency	130,680	125,470
District attorney	219,926	200,509
County commissioners	491,273	400,774
County treasurer	72,286	68,240
County facilities	279,898	249,099
Register of deeds	216,747	227,473
Register of probate	225,431	220,933
Sheriff	1,520,980	1,496,921
Telecommunications and dispatch	926,048	906,791
Advertising and promotion	9,636	12,125
Audit	9,400	9,500
University of ME extension	41,062	43,589
Employee benefits	505,280	467,415
Soil and water	25,000	20,475
Employee severance	18,474	23,309
Grant matching	2,844	2,967
County planning	-	16,646
Employee security	15,530	16,343
Drug forfeitures	1,432	29,839
Records preservation	1,299	5,386
Self-funded health insurance	760,709	1,048,957
LEPC	-	39,146
Homeland security grants	58,360	25,479
Other grants	25,916	22,620
Interest on long-term debt	11,259	15,008
Capital outlay	<u>34,114</u>	<u>65,055</u>
Total Expenses	<u>5,603,584</u>	<u>5,760,069</u>

(continued)

Excess (deficiency) of revenues over expenditures before transfers and special items	727,004	597,053
Special Item – gain on disposal of assets	<u>8,800</u>	<u>10,000</u>
CHANGE IN NET POSITION	<u>735,804</u>	<u>607,053</u>
NET POSITION, BEGINNING OF YEAR	5,914,616	5,098,431
Restatement of Beginning Net Position	-	<u>209,132</u>
NET POSITION, BEGINNING OF YEAR RESTATED	<u>5,914,616</u>	<u>5,307,563</u>
NET POSITION, END OF YEAR	<u>\$6,650,420</u>	<u>\$5,914,616</u>

The narrative that follows discusses the operations of governmental activities.

- Expenses of governmental activities include depreciation expense of \$250,830. Depreciation expense has been allocated and is included in the various function/program expenses of the County.
- General revenues consist of all revenues that are not considered to be program revenues or charges for services. General revenues for the year ended December 31, 2012 totaled \$5,104,980. Of this amount \$4,833,766 was from tax assessments paid by member towns. An additional \$122,975 came from interest and other miscellaneous sources.

FUND FINANCIAL ANALYSIS

Financial Analysis of the County's Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Funds are created and separately accounted for and reported for the purpose of carrying on specific activities in accordance with various regulations and restrictions. Activity not required to be reported in a separate fund is reported in the general fund.

Governmental funds – The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. Unassigned fund balance may serve as a useful measure of the County's net resources available for discretionary use in the future. As the County completed the year, its governmental funds reported a combined fund balance of \$3,318,663, \$1,342,421 of which was unrestricted and available for discretionary spending on future needs. The County's combined fund balance increased \$697,873 over the restated previous year balance of \$2,620,790.

- Revenues include federal and state sources totaling \$245,538 and taxes assessed to member towns totaling \$4,833,766.
- Charges for services and fees and fines contributed \$738,116 in total revenue during the year.

Total governmental fund expenditures for December 31, 2013 and 2012 are broken down as follows:

	<u>2013</u>	<u>2012</u>
Emergency management agency	\$ 103,121	\$ 100,911
District attorney	215,822	200,509
County commissioners	560,913	407,469
County treasurer	66,816	68,240
County facilities	282,179	252,033
Register of deeds	210,262	207,393
Register of probate	223,101	219,129
Sheriff	1,279,392	1,273,102
Telecommunications and dispatch	823,972	807,843
Advertising and promotion	9,636	12,125
Audit	9,400	9,500
University of ME extension	40,825	43,589
Employee benefits	505,280	467,415
Soil and water	25,000	20,475
Employee severance reserve	18,474	23,309
Grant matching reserve	2,844	2,967
Emm/Disaster recovery reserve	250	-
County planning reserve	-	23,385
Employee security reserve	15,530	16,343
Drug forfeitures reserve	1,432	29,839
Records preservation reserve	1,299	5,386
Probate surcharge reserve	6	-
Deeds surcharge reserve	4,938	19,560
Sheriff detail reserve	211,855	200,469
Self-funded health insurance claims	760,709	1,048,957
Homeland security grants	134,539	179,377
Other grants	42,745	93,460
Debt service – principal	25,007	95,779
Debt service – interest	11,259	15,008
Capital outlay	49,258	382,033
Other expenses	-	-
Total Expenses	<u>\$5,635,864</u>	<u>\$6,225,605</u>

Capital Asset and Debt Administration - In addition to the information provided below, more information on the County's capital assets and debt can be found in the notes to the basic financial statements.

Capital Assets – The summary of the capital assets, as of December 31, 2013, is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements/ Reclass</u>	<u>Ending Balance</u>
<i>Governmental Activities</i>				
Land	\$ 373,225	\$ -	\$ -	\$ 373,225
Construction in Progress	22,427	54,815	76,604	153,846
Buildings	2,421,252	-	-	2,421,252
Improvements	386,561	27,774	(76,604)	337,731
Equipment	984,375	110,681	(17,000)	1,078,056
Vehicles	<u>708,879</u>	<u>112,774</u>	<u>(201,490)</u>	<u>620,162</u>
Total capital assets	4,896,719	306,044	(218,490)	4,984,273
Accumulated depreciation	<u>(1,374,995)</u>	<u>(250,830)</u>	<u>218,490</u>	<u>(1,407,335)</u>
Capital assets, net	<u>\$ 3,521,724</u>	<u>\$ 55,214</u>	<u>\$ -</u>	<u>\$ 3,576,938</u>

Debt Administration - A summary of the County's long-term debt activity for the year ended December 31, 2013 is as follows:

	Beginning Balance	Additions	Principal Payments/ Reductions	Ending Balance	Total Interest Paid
Capital lease obligations	\$ 31,555	\$ 6,649	\$ (25,007)	\$ 13,197	\$ 1,973
Compensated absences	<u>233,943</u>	<u>35,641</u>	-	<u>269,584</u>	-
Total	<u>\$ 265,498</u>	<u>\$ 42,290</u>	<u>\$ (25,007)</u>	<u>\$ 282,781</u>	<u>\$ 1,973</u>

In addition, the County executed short-term borrowing, in the form of a tax anticipation note to meet operating cash flow needs. The County paid \$9,286 in interest related to these short-term obligations, for a total of interest paid of \$11,259 for the year ended December 31, 2013.

General Fund Budgetary Analysis

The County recognized revenues and expenditures on a budget basis that differs from how revenues and expenditures should be recognized under generally accepted accounting principles (GAAP). The principle differences between the two methods are as follows:

The County budgets using the following fund types: general fund, capital reserve, active reserve, restricted reserve, and State EMA fund. The County budgets its contributions to these reserves as expenditures of its general fund. These fund types do not correspond with the definitions of GASBS #34 and #54. On the GAAP basis, the capital reserve is included in the capital projects fund, a portion of the active reserve is reported in capital projects fund, with the remainder reported in the general fund, and the entire restricted reserve is included in the general fund. The State EMA fund is a special revenue fund. Due to this difference in fund definitions, additional activity is shown in the general fund than what is budgeted. In addition, reserves contributions budgeted as expenditures on the budget basis must be eliminated for the portions of the reserves included in the general fund, and reclassified to interfund transfers for the portions included in the other funds, to reflect the GAAP basis.

In regards to its self-funded health insurance plan, the County budgets its yearly contribution to the plan's assets as expenditures of the general fund, but GAAP basis considers the expenditure to be incurred when claims are incurred. The County's contributions to the plan must be eliminated from expenditures to reflect the GAAP basis, while the claims expenditures must be recognized. In addition, the County's plan utilizes stop-loss coverage to limit its losses for individual claims and aggregate claims for the year. Payments received from these policies must be recognized to reflect the GAAP basis.

In general, the Jail operations are not included in this report, to meet requirements of the State of Maine, however, a certain portion of the self-funded health insurance plan assets are contributed by, and are held for, the benefit of Jail employees. Contributions revenue must be recognized for the portion of the health insurance premiums funded by the Jail Department and its employees.

The County budgets its debt service payments for capital lease obligations as a part of its program expenditures, while GAAP requires separate reporting of these expenditures.

The County originally budgeted for an excess of revenues over expenditures of \$59,245. The Board of Commissioners subsequently budgeted \$475,000 additional funding of reserves. The County was able to realize a positive budget variance of \$215,740, primarily due to the following factors:

- District attorney function realized savings due to reductions in payroll costs(\$8,500) and witness fees(\$4,800)

- County commissioners function realized savings due to reductions in payroll costs(\$6,350), professional services (\$20,500) and liability insurance(\$8,800)
- Sheriff function realized savings due to reductions in personnel costs (\$24,000) and vehicle fuel expenditures(\$20,000)
- Employee benefits function realized savings in areas of Maine State retirement expenses (\$7,000), payroll taxes (\$9,000), and workers compensation (\$8,000).

The County of Waldo, Maine is not aware of any major changes for the 2014 fiscal year that would significantly impact the budget, future net position, or future results of operations. Member towns have experienced decreases in funding from the State, and the County may experience similar cuts in the future.

REQUEST FOR INFORMATION

The financial report is designed to provide information to the readers of the report with a general overview of the County's finances. If you have questions about this report or need any additional information, contact the County Treasurer's Office at 39-B Spring Street, Belfast, ME 04915 or call 207-338-3282.

County of Waldo, Maine
Statement of Net Position
December 31, 2013

	Governmental Activities
ASSETS	
Cash and equivalents	\$ 1,959,935
Investments	1,506,865
Accounts receivable	8,242
Prepaid expenses	5,372
Receivable from other governments	73,884
Capital assets not being depreciated	527,071
Capital assets being depreciated, net of accumulated depreciation	3,049,867
Total assets	7,131,236
LIABILITIES	
Accounts payable	7,983
Payroll withholdings payable	20,552
Payable to other governments	45,341
Health insurance claims payable	74,593
DA restitution payable	42,013
Unearned revenue	7,553
Long-term liabilities	
Due within one year	
Accrued compensated absences	37,600
Capital leases payable	3,256
Due in more than one year	
Accrued compensated absences	231,984
Capital leases payable	9,941
Total liabilities	480,816
NET POSITION	
Invested in capital assets, net of related debt	3,563,741
Restricted for	
Emergency management	20,006
Unrestricted	3,066,673
Total net position	\$ 6,650,420

See accompanying notes to basic financial statements.

County of Waldo, Maine
Statement of Activities
For the Year Ended December 31, 2013

Functions/Programs	Expenses	Program Revenue			Net (Expense)
		Charges for Services and Other	Operating Grants and Contri- butions	Capital Grants and Contri- butions	Revenue and Changes in Net Position
					Governmental Activities
Governmental activities					
Emergency management agency	\$ 130,680	\$ -	\$ 78,378	\$ -	\$ (52,302)
District attorney	219,926	-	-	-	(219,926)
County commissioners	491,273	-	-	-	(491,273)
County treasurer	72,286	-	-	-	(72,286)
County facilities	279,898	-	-	-	(279,898)
Register of deeds	216,747	316,021	-	-	99,274
Register of probate	225,431	102,292	-	-	(123,139)
Sheriff	1,520,980	221,991	-	-	(1,298,989)
Telecommunications and dispatch	926,048	-	-	-	(926,048)
Advertising and promotion	9,636	-	-	-	(9,636)
Audit	9,400	-	-	-	(9,400)
University of Maine extension	41,062	-	-	-	(41,062)
Employee benefits	505,280	-	-	-	(505,280)
Soil and water	25,000	-	-	-	(25,000)
Employee severance reserve	18,474	-	-	-	(18,474)
Grant matching reserve	2,844	-	2,894	-	50
County planning reserve	-	-	133	-	133
Employee security reserve	15,530	-	-	-	(15,530)
Drug forfeitures reserve	1,432	760	-	-	(672)
Records preservation reserve	1,299	-	-	-	(1,299)
Self-funded health insurance claims	760,709	-	398,353	-	(362,356)
Homeland security grants	58,360	-	134,539	-	76,179
Other grants	25,916	-	47,246	-	21,330
Interest and other charges	11,259	-	-	-	(11,259)
Capital outlay	34,114	-	-	13,001	(21,113)
Total governmental activities	<u>\$ 5,603,584</u>	<u>\$ 641,064</u>	<u>\$ 661,543</u>	<u>\$ 13,001</u>	<u>(4,287,976)</u>
General revenues					
					4,833,766
County taxes					58,239
Deeds transfer taxes					90,635
Courthouse rental income					5,104
Interest					27,236
Miscellaneous					8,800
Special item - gain on disposal of asset					
					5,023,780
Total general revenues and special item					
					735,804
Change in net assets					
NET POSITION - BEGINNING					<u>5,914,616</u>
NET POSITION - ENDING					<u>\$ 6,650,420</u>

See accompanying notes to basic financial statements.

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County of Waldo, Maine
Balance Sheet
Governmental Funds
December 31, 2013

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Other Governmental Fund - Special Revenue</u>	<u>Totals</u>
ASSETS				
Cash and cash equivalents	\$ 1,474,508	\$ 475,529	\$ 9,898	\$ 1,959,935
Investments	1,506,865	-	-	1,506,865
Accounts receivable	8,242	-	-	8,242
Due from other funds	-	43,280	-	43,280
Prepaid expenses	5,372	-	-	5,372
Receivable from other governments	35,423	-	38,461	73,884
Total assets	<u>\$ 3,030,410</u>	<u>\$ 518,809</u>	<u>\$ 48,359</u>	<u>\$ 3,597,578</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ -	\$ -	\$ 7,983	\$ 7,983
Payroll withholdings payable	20,552	-	-	20,552
Due to other funds	22,910	-	20,370	43,280
Payable to other governments	45,341	-	-	45,341
Health insurance claims payable	74,593	-	-	74,593
DA restitution payable	42,013	-	-	42,013
Unearned revenues	7,553	-	-	7,553
Compensated absences	37,600	-	-	37,600
Total liabilities	<u>250,562</u>	<u>-</u>	<u>28,353</u>	<u>278,915</u>
Fund balances				
Restricted for				
Emergency management	-	-	20,006	20,006
Committed for				
Capital projects	-	518,809	-	518,809
Self-funded health insurance	1,113,218	-	-	1,113,218
Other purposes	324,209	-	-	324,209
Assigned	-	-	-	-
Unassigned	1,342,421	-	-	1,342,421
Total fund balances	<u>2,779,848</u>	<u>518,809</u>	<u>20,006</u>	<u>3,318,663</u>
Total liabilities and fund balances	<u>\$ 3,030,410</u>	<u>\$ 518,809</u>	<u>\$ 48,359</u>	<u>\$ 3,597,578</u>

See accompanying notes to basic financial statements.

County of Waldo, Maine
Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
December 31, 2013

Total fund balance, governmental funds	\$ 3,318,663
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.	3,576,938
Some liabilities, (such as capital leases payable and accrued compensated absences), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.	<u>(245,181)</u>
Net Position of Governmental Activities in the Statement of Net Position	<u>\$ 6,650,420</u>

County of Waldo, Maine
Statement of Revenues, Expenditures and Changes
in Fund Balances - Governmental Funds
For the Year Ended December 31, 2013

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Other Governmental Fund - Special Revenue</u>	<u>Totals</u>
REVENUES				
Property taxes	\$ 4,833,766	\$ -	\$ -	\$ 4,833,766
Deeds transfer taxes	58,239	-	-	58,239
Intergovernmental revenue	78,378	-	167,160	245,538
Charges for services	432,770	-	-	432,770
Fees and fines	305,346	-	-	305,346
Self-funded health insurance contributions	376,118	-	-	376,118
Self-funded health insurance claims revenue	20,137	-	-	20,137
Investment earnings	7,202	-	-	7,202
Miscellaneous revenues	20,345	13,001	14,626	47,972
Total revenues	<u>6,132,301</u>	<u>13,001</u>	<u>181,786</u>	<u>6,327,088</u>
EXPENDITURES				
Current				
Emergency management agency	103,121	-	-	103,121
District attorney	215,822	-	-	215,822
County commissioners	560,913	-	-	560,913
County treasurer	66,816	-	-	66,816
County facilities	282,179	-	-	282,179
Register of deeds	210,262	-	-	210,262
Register of probate	223,101	-	-	223,101
Sheriff	1,279,392	-	-	1,279,392
Telecommunications and dispatch	823,972	-	-	823,972
Advertising and promotion	9,636	-	-	9,636
Audit	9,400	-	-	9,400
University of Maine extension	40,825	-	-	40,825
Employee benefits	505,280	-	-	505,280
Soil and water	25,000	-	-	25,000
Employee severance reserve	18,474	-	-	18,474
Grant matching reserve	2,844	-	-	2,844
EMA/disaster recovery reserve	250	-	-	250
Employee security reserve	15,530	-	-	15,530
Drug forfeitures reserve	1,432	-	-	1,432
Records preservation reserve	1,299	-	-	1,299
Probate surcharge reserve	6	-	-	6
Deeds surcharge reserve	4,938	-	-	4,938
Sheriff detail reserve	211,855	-	-	211,855
Self-funded health insurance claims	760,709	-	-	760,709
Homeland security grants	-	-	134,539	134,539
Other grants	-	-	42,745	42,745
Debt service				
Principal	25,007	-	-	25,007
Interest and other charges	11,259	-	-	11,259
Capital outlay	-	49,258	-	49,258
Total expenditures	<u>5,409,322</u>	<u>49,258</u>	<u>177,284</u>	<u>5,635,864</u>
Excess (deficiency) of revenues over expenditures	<u>722,979</u>	<u>(36,257)</u>	<u>4,502</u>	<u>691,224</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from capital leases	6,649	-	-	6,649
Transfers in	-	359,000	-	359,000
Transfers out	(359,000)	-	-	(359,000)
Total other financing sources and uses	<u>(352,351)</u>	<u>359,000</u>	<u>-</u>	<u>6,649</u>
Net change in fund balances	<u>370,628</u>	<u>322,743</u>	<u>4,502</u>	<u>697,873</u>
FUND BALANCE - BEGINNING	2,212,877	196,066	15,504	2,424,447
Restatement of beginning fund balance	<u>196,343</u>	<u>-</u>	<u>-</u>	<u>196,343</u>
FUND BALANCE - BEGINNING, RESTATED	<u>2,409,220</u>	<u>196,066</u>	<u>15,504</u>	<u>2,620,790</u>
FUND BALANCE - ENDING	<u>\$ 2,779,848</u>	<u>\$ 518,809</u>	<u>\$ 20,006</u>	<u>\$ 3,318,663</u>

See accompanying notes to basic financial statements.

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County of Waldo, 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, 2013

Net change in fund balances - total governmental funds: \$ 697,873

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.

Capital outlays	\$ 297,244	
Depreciation expense	<u>(250,830)</u>	46,414

Governmental funds report the entire net sales price (proceeds) from sale of an asset as revenue because it provides current financial resources. In contrast, the Statement of Activities reports only the gain or loss on the sale of the assets. Thus, the change in net assets differs from the change in fund balance by the cost of the asset sold.

8,800

Governmental funds report capital lease proceeds as current financial resources. In contrast, the Statement of Activities treats such issuance of debt as a liability. Governmental funds report repayment of bond principal as an expenditure. In contrast, the Statement of Activities treats such repayments as a reduction in long-term liabilities.

Capital lease proceeds	\$ (6,649)	
Capital lease repayments	<u>25,007</u>	18,358

Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:

This is the amount of the change in accrued compensated absences not reflected on Governmental funds

(35,641)

Change in net position of governmental activities

\$ 735,804

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Waldo, Maine was organized in 1827 under the laws of the State of Maine. The County operates under a county commissioner form of government and provides the following services: administration, protection, register of deeds and probate, and emergency management.

The accounting and reporting policies of the County relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled *Audits of State and Local Governmental Units* and the Financial Accounting Standards Board, when applicable. The more significant accounting policies of the County are described below.

A. FINANCIAL REPORTING ENTITY

In evaluating the County as a reporting entity, management has addressed all potential component units for which the County may be financially accountable and, as such, should be included within the County's financial statements. In accordance with Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, the County is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefits or to impose specific financial burdens on the County. Additionally, the County is required to consider other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the reporting entity's financial statements to be misleading. Based on the application of these criteria, there are no entities that should be included as part of these financial statements as a component unit.

The County's basic financial statements include the accounts of all County operations, as well as the accounts of Congress Hill Street Property, LLC. (CHSP), a separate entity created by the County to manage a condominium property owned by the County. CHSP is considered part of the primary government for financial reporting purposes, rather than a component unit.

B. BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE STATEMENTS

The government-wide financial statements report information of all activities of the County, except for fiduciary funds. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The County has no fiduciary funds or business-type activities.

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

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS

The County segregates transactions related to certain functions or activities in order to aid financial management and to demonstrate legal compliance. The governmental statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column, when applicable.

1. Governmental Funds

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources.

The County has presented the following major funds:

General Fund

The general fund is the primary operating fund of the County and is always classified as a major fund. This fund is used to account for all financial resources not accounted for in other funds.

Capital Projects Fund

The capital projects fund is used to account for all resources for the acquisition, betterment or construction of capital facilities and the capital reserve activity of the County.

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities, whether current or non-current, are included on the statement of net position and the operating statements present increases, revenues, and decreases, expenses, in net total position. Under the accrual basis of accounting, revenues are recognized when earned. Expenses are recognized at the time the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. A one year availability period is used for recognition of all governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

The revenues susceptible to accrual are taxes, intergovernmental revenues, and charges for services. All other governmental fund revenues are recognized when received.

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. BUDGETS AND BUDGETARY ACCOUNTING

The County utilizes a formal budgetary accounting system to control revenues accounted for in the general fund. The budget is established in accordance with the various laws which govern the County's operations. A budget committee is established to appropriate monies for county expenditures.

Generally, appropriations for the general fund lapse at year end, except for balances approved to be carried forward by the Commissioners.

Formal budgets are not adopted for the other funds. Grant procedures for many of the revenues included in the special revenue fund require submission of a budget. However, such budgets are not subject to formal adoption procedures and are normally prepared based upon the grant period which does not necessarily correspond with the County's fiscal year.

F. FINANCIAL STATEMENT AMOUNTS

1. Deposits and Investments

For purposes of the statement of net position, demand deposits include all checking and savings accounts of the County. Additional information is presented in Note 2.

Investments are carried at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties. Additional information, including the composition of investments, is presented in Note 2.

2. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Interfund receivables and payables between funds within governmental activities are eliminated in the government-wide statement of net position.

3. Interfund Transfers

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of the governmental funds on the fund financial statements. For the purposes of the government-wide statement of activities, all interfund transfers between individual funds within governmental activities have been eliminated.

4. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. All capital assets are valued at historical cost or estimated historical cost if actual historical is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized.

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. FINANCIAL STATEMENT AMOUNTS (CONTINUED)

4. Capital Assets (Continued)

Assets capitalized have an original cost of \$5,000 or more and over one year of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings	5-50 years
Building Improvements	5-50 years
Equipment	5-50 years
Vehicles	6-10 years

The County elected to utilize the infrastructure transition option in the implementation of GASB Statement #34 which does not require the County to retroactively capitalize certain infrastructure assets.

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

5. Long-term Liabilities

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 resources is reported as liabilities in government-wide statements. The long-term debt consists of capital leases and compensated absences liability.

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.

Vacation time, compensatory time, and sick leave can accrue and carry year to year for certain employees to specified maximums. The liability for these compensated absences is recorded as a long-term liability in the government-wide financial statements, while governmental funds financial statements report only an estimate of the current portion of the liability.

6. Government-wide Net Position

Net position represents the difference between assets and liabilities in the government-wide financial statements.

Net position invested in capital assets, net of related debt 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.

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. FINANCIAL STATEMENT AMOUNTS (CONTINUED)

6. Government-wide Net Position (Continued)

Net position is reported as restricted when there are limitation imposed on its 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.

The remaining net position is reported as unrestricted. For expenditures that qualify for either classification, amounts will be first spent from restricted net position then from unrestricted net position.

7. Governmental Fund Balances

Fund balance represents the difference between assets and liabilities in the fund financial statements. Fund balance must be properly recorded within one of five fund balance categories listed below:

Nonspendable, such as fund balances associated with inventories or prepaid expenses. The nonspendable fund balance may also include amounts that are required to be maintained intact, such as the corpus of an endowment fund.

Restricted fund balance category includes amounts that can be used only for the specific purposes stipulated by constitution, grantors or through enabling legislation.

Committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the County's highest level of decision making authority, which is a vote of the Board of Commissioners or a vote of the County's Budget Committee.

Assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. The Board of Commissioners is authorized to assign funds, particularly fund balance carry-overs under authority granted by County budget procedures.

Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

The County has not formally adopted a fund balance policy, but has implemented GASB 54 based on the definitions above. For expenditures that qualify for multiple categories, amounts will be first spent from restricted fund balance, followed by committed fund balance, then assigned fund balance, and finally unassigned fund balance, except that the County maintains committed funds in reserves for various purposes which may be spent after unassigned fund balance if approved by vote of the Board of Commissioners.

8. Revenue Recognition - Property Taxes

The County's property tax assessment is levied and recognized annually on the assessment values for each municipality located in the County. Assessment values are established for each municipality by the State of Maine.

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. FINANCIAL STATEMENT AMOUNTS (CONTINUED)

9. New Governmental Accounting Standards

During the year ended December 31, 2013, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No.34*. The intent of this statement is to improve financial reporting by modifying certain requirements for inclusion of legally separate entities in the financial reporting entity.

During the year ended December 31, 2013, the County implemented GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. The intent of this statement is to clarify the appropriate reporting of deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting.

During the year ended December 31, 2013, the County implemented GASB Statement No. 66, *Technical Corrections – 2012*. The intent of this statement is to enhance the usefulness of financial reports by resolving conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting by amending GASB Statement No. 10 Accounting and Financial Reporting for Risk Financing and Related Insurance Issues and GASB Statement No. 62 Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements.

NOTE 2. DEPOSITS AND INVESTMENTS

Deposits

Custodial Credit Risk: Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk. As of December 31, 2013, the County reported deposits of \$1,959,935 with bank balances of \$2,239,028. Of the County's total bank balance of \$2,239,028, \$1,240,161 was exposed to custodial credit risk. Of the exposed amount, \$562,891 was collateralized by underlying securities held by the related bank's trust department but not in the County's name, and \$677,270 was not collateralized.

Investments

Statutes authorize the County to invest in certificates of deposit, repurchase agreements, and other available bank investments. In addition, the County can invest in direct debt securities of the United States unless such an investment is expressly prohibited by law.

The County's investments at December 31, 2013 are as follows:

Repurchase agreements	\$ 656,913
Certificates of deposit	<u>849,952</u>
Total investments	<u>\$ 1,506,865</u>

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2013

NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (Continued)

Custodial Credit Risk: Custodial credit risk is the risk that in the event of failure of the counterparty, the County will not be able to recover the value of its investments. The County does not have an investment policy for custodial credit risk. The County's \$656,913 invested in repurchase agreements was collateralized by underlying securities held by the related bank's trust department but not in the County's name.

Concentration of Credit Risk: The County has no investments that meet the criteria to be classified as a concentration of credit risk. The County does not have a policy related to concentration of credit risk.

Interest Rate Risk: The County does not have a policy related to interest rate risk. The County is required to disclose the interest rate risk of its debt investments as follows:

	Due in less than one year	Due in 1-5 years	Due in more than five years
Repurchase agreements	\$ 656,913	\$ -	\$ -
Certificates of deposit	849,952	-	-
Total	<u>\$1,506,865</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE 3. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2013, was as follows:

	Balance 12/31/12	Additions	Disposals	Balance 12/31/13
Governmental Activities				
<i>Capital assets not being depreciated</i>				
Land	\$ 373,225	\$ -	\$ -	\$ 373,225
Construction in progress	22,427	54,815	76,604	153,846
Total capital assets not being depreciated	<u>395,652</u>	<u>54,815</u>	<u>76,604</u>	<u>527,071</u>
<i>Capital assets being depreciated</i>				
Buildings	2,421,252	-	-	2,421,252
Improvements	386,561	27,774	(76,604)	337,731
Equipment	984,375	110,681	(17,000)	1,078,056
Vehicles	708,879	112,774	(201,490)	620,162
Total capital assets being depreciated	<u>4,501,067</u>	<u>251,229</u>	<u>(295,094)</u>	<u>4,457,202</u>
Less accumulated depreciation				
Buildings	(327,887)	(49,640)	-	(377,527)
Improvements	(54,639)	(20,240)	-	(74,879)
Equipment	(489,877)	(107,263)	17,000	(580,140)
Vehicles	(502,592)	(73,687)	201,490	(374,789)
Total accumulated depreciation	<u>(1,374,995)</u>	<u>(250,830)</u>	<u>218,490</u>	<u>(1,407,335)</u>
Total capital assets, being depreciated, net	<u>3,126,072</u>	<u>399</u>	<u>(76,604)</u>	<u>3,049,867</u>
Governmental activities capital assets, net	<u>\$ 3,521,724</u>	<u>\$ 55,214</u>	<u>\$ -</u>	<u>\$ 3,576,938</u>

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2013

NOTE 3. CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to governmental activities as follows:

Emergency management	\$ 22,583
District attorney	214
County commissioners	18,420
County facilities	3,719
Register of deeds	520
Register of probate	1,049
Sheriff	105,044
Telecommunications	99,044
University of Maine extension	<u>237</u>
Total depreciation expense	<u>\$ 250,830</u>

NOTE 4. LONG-TERM LIABILITIES

The following is a summary of long-term liabilities for the year ended December 31, 2013:

	Balance	Increase	Decrease	Balance	Due
	12/31/12			12/31/13	Within
					One Year
Capital leases	\$ 31,555	\$ 6,649	\$ (25,007)	\$ 13,197	\$ 3,256
Accrued compensated absences	<u>233,943</u>	<u>35,641</u>	-	<u>269,584</u>	<u>37,600</u>
Total	<u>\$ 265,498</u>	<u>\$ 42,290</u>	<u>\$ (25,007)</u>	<u>\$ 282,781</u>	<u>\$ 40,856</u>

Obligations under capital leases

The County is the lessee of equipment under capital leases expiring in 2016 and 2017. The liabilities under capital leases are recorded at the lower of the present value of the minimum lease payments or the fair market value of the asset acquired.

As of December 31, 2013, the County had recorded \$121,472 in equipment related to capital leases. Amortization of these assets is included with depreciation expense. Accumulated depreciation for these assets at December 31, 2013 is \$56,995.

Minimum future lease payments under capital leases as of December 31, 2013 are:

2014	\$ 3,840
2015	3,720
2016	3,655
2017	2,100
2018	<u>1,250</u>
	14,565
Less amount representing interest	<u>1,368</u>
Present value of minimum lease payments	<u>\$ 13,197</u>

The County paid interest of \$11,259, including amounts paid for short term financing during the year ended December 31, 2013.

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2013

NOTE 4. LONG-TERM LIABILITIES (CONTINUED)

Obligations under operating leases

The County is currently committed to operating lease payments of \$23,131 over the next five years for copiers and other equipment leases. Future lease payment requirements are as follows:

2014	\$ 11,156
2015	6,028
2016	4,696
2017	<u>1,251</u>
	<u>\$ 23,131</u>

Operating lease payments were \$19,819 for fiscal year 2013.

NOTE 5. SHORT-TERM DEBT

The County had a tax anticipation note to provide for working capital purposes. The note provided for a rate of interest of 0.81% per annum. The agreement provided for maximum credit availability of \$4,500,000, which was accessible by both the County and the County Jail department.

Short-term financing activity for the County during the year ended December 31, 2013, is summarized as follows:

Source of Financing	Purpose of Financing	Balance 1/1/13	Draws	Paid	Balance 12/31/13
Key Bank	Working capital	\$ -	\$1,950,000	\$ (1,950,000)	\$ -

NOTE 6. INTERFUND TRANSACTIONS

During the course of normal operations, the County has numerous transactions between funds including expenditures and transfers.

Individual fund interfund receivable and payables balances at December 31, 2013 arising from these transactions were as follows:

	Receivable	Payable	Transfers In	Transfers Out
General fund	\$ -	\$ 22,910	\$ -	\$ (359,000)
Capital projects fund	43,280	-	359,000	-
Special revenue fund	<u>-</u>	<u>20,370</u>	<u>-</u>	<u>-</u>
	<u>\$ 43,280</u>	<u>\$ 43,280</u>	<u>\$ 359,000</u>	<u>\$ (359,000)</u>

The outstanding balances between funds result from grant funds reclassifications and amounts held in the active reserve attributed to capital projects fund accounts. The general fund transfer of \$359,000 was used to move funds to various capital reserves in accordance with budgetary authorizations.

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2013

NOTE 7. NET POSITION INVESTED IN CAPITAL ASSETS

Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds payable adding back any unspent proceeds. The County's net position invested in capital assets, net of related debt was calculated as follows at December 31, 2013:

	Governmental Activities
Capital assets	\$ 4,984,273
Accumulated depreciation	(1,407,335)
Related capital leases payable	(13,197)
Total balance	\$ 3,563,741

NOTE 8. FUND BALANCE – RESTRICTED FOR EMERGENCY MANAGEMENT

At December 31, 2013, the County's fund balance restricted for emergency management was comprised of the following:

County planning grants	\$ 15,981
Local emergency preparedness grants	1,225
Local emergency management performance grants	2,800
	\$ 20,006

NOTE 9. FUND BALANCE - COMMITTED FOR CAPITAL PROJECTS

At December 31, 2013, the County's fund balance committed for capital projects was comprised of the following:

Vehicles	\$ 15,041
Sheriff facility	4,688
Courthouse	73,233
Communications equipment	27,622
Technology	288,911
All other facilities	39,177
EMA equipment	15,238
Probate, deeds, and district attorney	22,214
Emergency shelters	9,775
Future County land and buildings	13,100
Equipment service	9,810
	\$ 518,809

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2013

NOTE 10. FUND BALANCE - COMMITTED FOR OTHER PURPOSES

At December 31, 2013, the County's fund balance committed for other purposes was comprised of the following:

Planning	\$ 11,765
Employment security	66,132
Employee severance	74,761
EMA/disaster recovery	26,250
Grant matching	10,545
Drug forfeiture	4,658
Sheriff's detail	49,510
Deeds surcharge	51,576
Electronic monitors	2,150
Records preservation	3,120
Probate surcharge	<u>23,742</u>
	<u>\$ 324,209</u>

NOTE 11. PARTICIPATION IN PUBLIC ENTITY RISK POOL

The County is exposed to various risks of losses related to torts, theft, damage, and destruction of assets, injuries to employees, and natural disasters. The County is a member of the Maine County Commissioners Association - Property and Casualty Pool ("Pool"). The Pool was created to obtain lower rates for its members. The County pays an annual premium for its property and liability coverage. Under the property coverage portion of the Pool, coverage is provided after the deductible is met, to \$1,500,000. Under the liability portion of the Pool, coverage is provided after the deductible is met, to \$1,500,000.

NOTE 12. SELF-FUNDED HEALTH INSURANCE PLAN

The County of Waldo, Maine is exposed to risks of losses related to employee health insurance claims. County employees as well as County Jail department employees are covered by the County's self-funded health insurance plan. The County maintains a reserve for future unpaid claims, funded by contributions from the County, County employees, the County Jail department, and its employees. The amount of this reserve at December 31, 2013 was \$1,119,416. Contributions by the County and the County Jail department to this reserve are calculated annually during the budget process. In addition, the County maintains a commercial policy for individual stop-loss coverage in the amount of \$100,000 and aggregate stop-loss coverage in the amount of \$1,000,000 to further limit its exposure to losses.

Claims liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The self-funded health insurance claims liability recorded is based on reported pending claims as of December 31, 2013.

Claims payable activity for the years ended December 31, was as follows:

	2013	2012
Claims payable, January 1	\$ 81,174	\$ -
Current year claims incurred	679,535	1,130,131
Current year claim payments	<u>(686,116)</u>	<u>(1,048,957)</u>
Claims payable, December 31	<u>\$ 74,593</u>	<u>\$ 81,174</u>

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2013

NOTE 13. PENSION PLANS

Plan Description

The County contributes to the Maine Public Employees Retirement System (MainePERS) Participating Local County Consolidated Retirement Plan, a cost-sharing multiple-employer defined benefit plan. The County's payroll for the year ended December 31, 2013 for employees covered by this plan was \$2,184,233.

Full-time County employees are eligible to participate in the MainePERS. Participating employees' benefits vest after five years of service. Beyond the five year period, the employee would receive certain retirement, disability and death benefits, and cost of living adjustments upon attaining the age of sixty; this benefit would be computed at that time. These benefit provisions and all other requirements are established by state statute. A copy of the most recent financial report for the plan may be obtained from the Maine Public Employees Retirement System by calling 1-800-451-9800.

Defined Benefit Pension Plan - Funding Status and Progress

Participating County employees are required to contribute 6.5% of their annual salary to the Plan by State Statute. The County is required to pay contributions as determined on an annual basis by the Plan's actuaries.

	Year ended 12/31/13		Year ended 12/31/12	
	Amount	Percentage	Amount	Percentage
Employer				
Regular	\$ 146,440	6.70%	\$ 114,235	5.79%
IUUAL*	64,464	2.95%	73,144	3.71%
Employee	141,976	6.50%	128,254	6.50%

*IUUAL = Initial Unpooled Unfunded Actuarial Liability

Deferred Compensation Plan

The County also provides a 457 Deferred Compensation Plan. The deferred compensation is not available to employees until termination, retirement death or unforeseeable emergency. The County's payroll for the year ended December 31, 2013 for employees covered by this plan was \$593,821.

The County matches employees' contributions up to a maximum \$600 as determined by the Board of Commissioners. The County made matching contributions of \$2,600 and employees elected to defer \$20,113 for a contribution of \$22,713 for the year ended December 31, 2013.

NOTE 14. 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.

County of Waldo, Maine
Notes to Basic Financial Statements
December 31, 2013

NOTE 15. RESTATEMENT OF BEGINNING FUND BALANCE

The County restated the general fund's beginning fund balance by \$196,343 to reflect a change in compensated absences liability recognition. This change better reflects the requirements of governmental funds financial reporting. The amount left in the general fund liability reflects only an estimate of compensated absences to be paid within one year, which now aligns with the current financial resources measurement focus reported in the fund financial statements.

County of Waldo, Maine
Budget and Actual (with Budget to GAAP Differences)
General Fund
For the year ended December 31, 2013

	Budgeted Amounts			Actual	Budget to	Actual
	Original	Changes*	Final	Amounts, Budgetary Basis	GAAP Differences**	Amounts, GAAP Basis
REVENUES						
Property taxes	\$ 4,833,765	\$ -	\$ 4,833,765	\$ 4,833,766	\$ -	\$ 4,833,766
Deeds transfer taxes	40,000	-	40,000	58,334	(95)	58,239
Intergovernmental revenue	88,349	-	88,349	72,341	6,037	78,378
Charges for services	167,435	-	167,435	168,283	264,487	432,770
Fees and fines	256,000	-	256,000	304,519	827	305,346
Self-funded health insurance contributions	-	-	-	-	376,118	376,118
Self-funded health insurance claims revenue	-	-	-	-	20,137	20,137
Investment earnings	8,050	-	8,050	5,104	2,098	7,202
Miscellaneous revenues	8,400	-	8,400	17,316	2	17,318
Unbudgeted reserves revenues	-	-	-	-	3,027	3,027
Total revenues	<u>5,401,999</u>	<u>-</u>	<u>5,401,999</u>	<u>5,459,663</u>	<u>672,638</u>	<u>6,132,301</u>
EXPENDITURES						
Current						
Emergency management agency	103,783	-	103,783	103,901	(780)	103,121
District attorney	233,669	-	233,669	215,822	-	215,822
County commissioners	628,597	-	628,597	585,543	(24,630)	560,913
County treasurer	67,467	-	67,467	66,816	-	66,816
County facilities	279,678	-	279,678	282,179	-	282,179
Register of deeds	220,133	-	220,133	210,262	-	210,262
Register of probate	204,103	-	204,103	202,297	20,804	223,101
Sheriff	1,328,524	-	1,328,524	1,280,636	(1,244)	1,279,392
Telecommunications and dispatch	841,689	-	841,689	823,972	-	823,972
Advertising and promotion	9,636	-	9,636	9,636	-	9,636
Audit	9,500	-	9,500	9,400	-	9,400
University of ME extension	40,825	-	40,825	40,825	-	40,825
Employee benefits	1,290,150	-	1,290,150	1,262,454	(757,174)	505,280
Soil and water	25,000	-	25,000	25,000	-	25,000
Reserves funding expense	50,000	116,000	166,000	166,000	(166,000)	-
Employee severance reserve	-	-	-	-	18,474	18,474
Grant matching reserve	-	-	-	-	2,844	2,844
EMA/disaster recovery expenses	-	-	-	-	250	250
Employee security reserve	-	-	-	-	15,530	15,530
Drug forfeitures reserve	-	-	-	-	1,432	1,432
Records preservation reserve	-	-	-	-	1,299	1,299
Probate surcharge reserve	-	-	-	-	6	6
Deeds surcharge reserve	-	-	-	-	4,938	4,938
Sheriff detail reserve	-	-	-	-	211,855	211,855
Self-funded health insurance claims	-	-	-	-	760,709	760,709
Debt Service						
Principal	-	-	-	-	25,007	25,007
Interest and other charges	10,000	-	10,000	9,286	1,973	11,259
Total Expenditures	<u>5,342,754</u>	<u>116,000</u>	<u>5,458,754</u>	<u>5,294,029</u>	<u>115,293</u>	<u>5,409,322</u>
Excess (deficiency) of revenues over expenditures	59,245	(116,000)	(56,755)	165,634	557,345	722,979
OTHER FINANCING SOURCES (USES)						
Proceeds from capital leases	-	-	-	6,649	-	6,649
Transfers out	-	(359,000)	(359,000)	(359,000)	-	(359,000)
Total other financing sources and uses	-	(359,000)	(359,000)	(352,351)	-	(352,351)
Net change in fund balances	<u>59,245</u>	<u>(475,000)</u>	<u>(415,755)</u>	<u>(186,717)</u>	<u>557,345</u>	<u>370,628</u>
FUND BALANCES - BEGINNING						
Restatement of beginning fund balance	-	-	-	196,343	-	196,343
FUND BALANCES - BEGINNING, RESTATED	<u>2,219,677</u>	<u>-</u>	<u>2,219,677</u>	<u>2,416,020</u>	<u>(6,800)</u>	<u>2,409,220</u>
FUND BALANCES - ENDING	<u>\$ 2,278,922</u>	<u>\$ (475,000)</u>	<u>\$ 1,803,922</u>	<u>\$ 2,229,303</u>	<u>\$ 550,545</u>	<u>\$ 2,779,848</u>

* Additional funding of reserves as authorized by the Board of Commissioners

** Adjustments necessary to convert the general fund's net change in fund balances on the budget basis to GAAP basis are provided below:

Net change in fund balances - budget basis	\$ (186,717)
Adjustments to convert from cash basis to accrual basis	8,536
Unbudgeted reserves revenues and expenses	153,991
Reclassification of County funding of self-funded health insurance	757,174
Self-funded health insurance contributions revenue	376,118
Self-funded health insurance claims and interest revenue	22,235
Self-funded health insurance claims expenses	(760,709)
	<u>\$ 370,628</u>

County of Waldo, Maine
Budget and Actual (with Variances)
General Fund
For the year ended December 31, 2013

	Budgeted Amounts			Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Changes*	Final		
REVENUES					
Property taxes	\$ 4,833,765	\$ -	\$ 4,833,765	\$ 4,833,766	\$ 1
Deeds transfer taxes	40,000	-	40,000	58,334	18,334
Intergovernmental revenue	88,349	-	88,349	72,341	(16,008)
Charges for services	167,435	-	167,435	168,283	848
Fees and fines	256,000	-	256,000	304,519	48,519
Investment earnings	8,050	-	8,050	5,104	(2,946)
Miscellaneous revenues	8,400	-	8,400	17,316	8,916
Total revenues	5,401,999	-	5,401,999	5,459,663	57,664
EXPENDITURES					
Current					
Emergency management agency	103,783	-	103,783	103,901	(118)
District attorney	233,669	-	233,669	215,822	17,847
County commissioners	628,597	-	628,597	585,543	43,054
County treasurer	67,467	-	67,467	66,816	651
County facilities	279,678	-	279,678	282,179	(2,501)
Register of deeds	220,133	-	220,133	210,262	9,871
Register of probate	204,103	-	204,103	202,297	1,806
Sheriff	1,328,524	-	1,328,524	1,280,636	47,888
Telecommunications and dispatch	841,689	-	841,689	823,972	17,717
Advertising and promotion	9,636	-	9,636	9,636	-
Audit	9,500	-	9,500	9,400	100
University of ME extension	40,825	-	40,825	40,825	-
Employee benefits	1,290,150	-	1,290,150	1,262,454	27,696
Soil and water	25,000	-	25,000	25,000	-
Reserves funding expense	50,000	116,000	166,000	166,000	-
Interest and other charges	10,000	-	10,000	9,286	714
Total Expenditures	5,342,754	116,000	5,458,754	5,294,029	164,725
Excess (deficiency) of revenues over expenditures	59,245	(116,000)	(56,755)	165,634	222,389
OTHER FINANCING SOURCES (USES)					
Proceeds from capital leases	-	-	-	6,649	(6,649)
Transfers out	-	(359,000)	(359,000)	(359,000)	-
Total other financing sources and uses	-	(359,000)	(359,000)	(352,351)	(6,649)
Net change in fund balances	59,245	(475,000)	(415,755)	(186,717)	\$ 215,740
FUND BALANCES - BEGINNING					
	2,219,677	-	2,219,677	2,219,677	
Restatement of beginning fund balance	-	-	-	196,343	
FUND BALANCES - BEGINNING, RESTATED					
	2,219,677	-	2,219,677	2,416,020	
FUND BALANCE - ENDING					
	\$ 2,278,922	\$ (475,000)	\$ 1,803,922	\$ 2,229,303	

**Independent Auditor's Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements Performed
in Accordance with *Government Auditing Standards***

To the County Commissioners
County of Waldo, Maine

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the County of Waldo, Maine, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the County of Waldo, Maine's basic financial statements and have issued our report thereon dated June 2, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County of Waldo, Maine's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County of Waldo, Maine's internal control. Accordingly, we do not express an opinion in the effectiveness of the County of Waldo, Maine's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. The County of Waldo, Maine did not have adequate systems of internal control over financial reporting and required material audit adjustments, including to the self-funded health insurance plan, Probate and Deeds activity, capital assets, and compensated absences. The County of Waldo, Maine also did not have adequate systems of internal control over the District Attorney restitution account. We consider these deficiencies to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. The County of Waldo, Maine did not have adequate systems of internal control over cash receipts and grant funds in the Deeds, Probate, Sheriff, and EMA departments, handled outside of the Treasurer's office. We consider these deficiencies to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County of Waldo, Maine's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain other matters that we have reported to management of the County of Waldo, Maine, in a separate letter dated June 2, 2014.

County of Waldo, Maine's Response to Findings

Management of County of Waldo, Maine's response to the findings was as follows:

- Implement better understanding of self-funded health insurance reporting requirements
- Improve documentation of Probate and Deeds activity to support proper GAAP reporting
- Maintain capital assets listings and update throughout year for additions and disposals
- Maintain compensated absences listings and update throughout year for amounts earned and paid
- Maintain adequate documentation to support underlying activity of the District Attorney restitution account
- Review and approve bank account reconciliations for all departments to ensure accuracy and completeness of activity recorded
- Improve knowledge of and oversight over grants activities to ensure authorization, accuracy and completeness of activity recorded and ensure compliance with applicable requirements.

County of Waldo, Maine's response to the findings identified in our audit is described previously. County of Waldo, Maine's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

This report is intended solely for the information and use of the County Commissioners, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Ronald Thibodeau & Associates

Bangor, Maine
June 2, 2014

Jail Department of the County of Waldo, Maine

ANNUAL FINANCIAL STATEMENTS

For the Year Ended June 30, 2013

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Independent Auditor's Report

County Commissioners
County of Waldo, Maine
Belfast, Maine

Report on the Financial Statements

We have audited the accompanying basic financial statements of each major fund and the aggregate remaining fund information of the Jail Department of the County of Waldo, Maine as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Department'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 an opinion 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 from material misstatement.

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

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

Basis for Adverse Opinions

As discussed in Note 1, the financial statements of the Jail Department of the County of Waldo, Maine are intended to present the financial position, and the changes in financial position, of only that portion of the governmental activities of each major fund and the aggregate remaining fund information of the County of Waldo, Maine that is attributable to the transactions of the Jail Department.

Accounting principles generally accepted in the United States of America require that the County of Waldo, Maine's financial statements present the governmental activities, each major fund, and the aggregate remaining fund information of the County of Waldo, Maine.

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion" paragraph, the financial statements referred to above do not present fairly the financial position of the County of Waldo, Maine as of June 30, 2013, or the changes in financial position thereof for the year then ended.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of each major fund and the remaining fund information of the Jail Department of the County of Waldo, Maine as of June 30, 2013, and the respective changes in financial position for the year then ended in conformity 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 budgetary comparison information on page 13 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, 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.

Management has omitted a management's discussion and analysis, capital assets, depreciation on capital assets, debt, and other disclosures that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required 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. These financial statements have been prepared for the purposes of the State of Maine. Our opinion on the basic financial statements is not affected by this missing information.

Raymond Thibodeau & Associates

Bangor, Maine
May 19, 2014

Jail Department of the County of Waldo, Maine
Balance Sheet
Governmental Funds
June 30, 2013

	<u>General Fund</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash	\$ 946,481	\$ 113,375	\$ 1,059,856
Due from other funds	430	-	430
Total assets	<u>\$ 946,911</u>	<u>\$ 113,375</u>	<u>\$ 1,060,286</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 36,306	\$ -	\$ 36,306
Payroll withholdings payable	2,766	-	2,766
Due to County of Waldo	212	-	212
Tax anticipation note payable	1,900,000	-	1,900,000
Due to other funds	-	430	430
Accrued compensated absences	80,230	-	80,230
Total liabilities	<u>2,019,514</u>	<u>430</u>	<u>2,019,944</u>
Fund balances			
Committed for capital projects	-	112,945	112,945
Unassigned (deficit)	<u>(1,072,603)</u>	<u>-</u>	<u>(1,072,603)</u>
Total fund balances	<u>(1,072,603)</u>	<u>112,945</u>	<u>(959,658)</u>
Total liabilities and fund balances	<u>\$ 946,911</u>	<u>\$ 113,375</u>	<u>\$ 1,060,286</u>

See accompanying notes to basic financial statements.

Jail Department of the County of Waldo, Maine
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2013

	<u>General Fund</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
REVENUES			
Assessments	\$ 2,832,353	\$ -	\$ 2,832,353
Intergovernmental revenue	208,923	-	208,923
Charges for services	27,737	-	27,737
Total revenues	<u>3,069,013</u>	<u>-</u>	<u>3,069,013</u>
EXPENDITURES			
Current			
Wages	729,784	-	729,784
Fringe benefits	335,585	-	335,585
Administration	890,127	-	890,127
Professional fees	623,728	-	623,728
Vehicle operation	21,614	-	21,614
Fuel	21,389	-	21,389
Utilities	33,713	-	33,713
Rentals	24,670	-	24,670
Repairs and maintenance	64,324	-	64,324
Insurance	41,700	-	41,700
Inmate medical	28,727	-	28,727
Food	67,543	-	67,543
Supplies	10,337	-	10,337
Clothing and materials	5,309	-	5,309
Miscellaneous	626	-	626
Interest expense	18,238	-	18,238
Unclassified	31,100	-	31,100
Capital expenditures	31,133	11,387	42,520
Total expenditures	<u>2,979,647</u>	<u>11,387</u>	<u>2,991,034</u>
Excess (deficiency) of revenues over expenditures	89,366	(11,387)	77,979
OTHER FINANCING SOURCES (USES)			
Transfers in	2,933	17,012	19,945
Transfers out	(17,012)	(2,933)	(19,945)
Total other financing sources and uses	<u>(14,079)</u>	<u>14,079</u>	<u>-</u>
Net change in fund balances	75,287	2,692	77,979
FUND BALANCE - BEGINNING (DEFICIT)	<u>(1,147,890)</u>	<u>110,253</u>	<u>(1,037,637)</u>
FUND BALANCE - ENDING (DEFICIT)	<u>\$ (1,072,603)</u>	<u>\$ 112,945</u>	<u>\$ (959,658)</u>

See accompanying notes to basic financial statements.

**Jail Department of the County of Waldo, Maine
Statement of Fiduciary Net Position -
Agency Funds
June 30, 2013**

	<u>Inmate Fund</u>
ASSETS	
Cash	<u>\$ 35,056</u>
NET POSITION	
Held in trust for inmates	<u>\$ 35,056</u>

See accompanying notes to basic financial statements.

Jail Department of the County of Waldo, Maine
Notes to Basic Financial Statements
June 30, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Jail is a department of the County of Waldo, Maine and operates under the State of Maine law, LD 2080, *An Act to Better Coordinate and Reduce the Cost of the Delivery of State and County Correctional Services*. This act unifies the State and County Jail corrections systems. The State of Maine Board of Corrections is the oversight body for the Jail Department of the County of Waldo, Maine.

The Department reporting entity applies all relevant Governmental Accounting Standards board (GASB) pronouncements, except as noted in the Independent Auditor's Report. These financial statements are intended to represent only the basic fund financial statements for a special purpose report and do not include the government-wide financial statements. The following is a summary of such significant policies.

A. FINANCIAL REPORTING ENTITY

In evaluating the Department as a reporting entity, management has addressed all potential component units for which the Department may be financially accountable and, as such, should be included in the Department's financial statements. In accordance with Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, the Department is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is potential for the organization to provide specific financial benefits or to impose specific financial burdens on the Department. Additionally, the Department is required to consider other organizations for which the nature and significance of their relationship with the Department are such that exclusion would cause the reporting entity's financial statements to be misleading. Based on the application of these criteria, there are no entities that should be included as part of these financial statements.

B. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS

Basis of Presentation

The accounts of the Department are organized on the basis of funds. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into generic fund types and broad fund categories as follows:

1. Governmental Funds

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources.

The major funds of the Department are described below:

Jail Department of the County of Waldo, Maine
Notes to Basic Financial Statements
June 30, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1. Governmental Funds (Continued)

General Fund

The general fund is the primary operating fund of the Department and is always classified as a major fund. This fund is used to account for all financial resources not accounted for in other funds.

Capital Projects Fund

The capital projects fund accounts for funds reserved by authorization of the Board of Commissioners for capital projects and equipment purchases.

2. Fiduciary Funds

Agency Funds

Agency funds account for assets held by the Department in a purely custodial capacity and includes amounts held for the benefit of inmates. Since agency funds are custodial in nature, they do not involve the measurement of results of operations.

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

The revenues susceptible to accrual are intergovernmental revenues and charges for services. All other governmental fund revenues are recognized when received.

D. BUDGETS AND BUDGETARY ACCOUNTING

The Department's policy is to adopt an annual budget for general fund operations. The budget for the general fund is prepared on the modified accrual basis of accounting which is consistent with generally accepted accounting principles. The State Board of Corrections approves the budget and serves as the final decision maker.

Jail Department of the County of Waldo, Maine
Notes to Basic Financial Statements
June 30, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. FINANCIAL STATEMENT AMOUNTS

1. Deposits

For purposes of the statement of net position, demand deposits include all checking accounts of the Department. Additional information is presented in Note 2.

2. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds.

3. Transactions Between Funds

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of both the general and capital projects funds.

4. Compensated Absences

Vacation time and sick leave can accrue and carry year to year for all employees to specified maximums. The liability for these governmental compensated absences is recorded in the general fund.

5. Governmental Fund Balances

The Government Accounting Standards Board (GASB) has issued Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54)*. This Statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

GASB 54 requires the fund balance to be properly reported within one of the five fund balance categories listed below:

Nonspendable – such as fund balances associated with inventories or prepaid expenses. The Nonspendable fund balance may also include amounts that are required to be maintained intact, such as the corpus of an endowment fund.

Restricted fund balance category includes amounts that can be used only for the specific purposes stipulated by constitution, grantors or through enabling legislation.

Committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Jail Department's Board of Commissioners.

Assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed.

Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

The County of Waldo – Jail Department has not formally adopted a fund balance policy, but has implemented GASB 54 based on the definitions above.

Jail Department of the County of Waldo, Maine
Notes to Basic Financial Statements
June 30, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. FINANCIAL STATEMENT AMOUNTS (CONTINUED)

6. New Governmental Accounting Standard

During the fiscal year ended June 30, 2013, the Department implemented Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. The intent of this statement is to improve financial reporting by providing citizens and other users of state and local government financial reports with information about how past transactions will continue to impact a government's financial statements in the future. The Statement provides a new statement of net position format to report all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position (which is the net residual amount of the other elements). The Statement requires that deferred outflows of resources and deferred inflows of resources be reported separately from assets and liabilities.

7. Recent Accounting Pronouncements

In March, 2012, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This statement clarifies the appropriate reporting of deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. The statement is effective for periods beginning after December 15, 2012. The Department does not believe the adoption of this statement will have a material effect on the Department's financial statements.

In March, 2012, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 66, *Technical Corrections – 2012*. This statement enhances the usefulness of financial reports by resolving conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting by amending GASB Statement No. 10 *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues* and GASB Statement No. 62 *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The statement is effective for periods beginning after December 15, 2012. The Department does not believe the adoption of this statement will have a material effect on the Department's financial statements.

NOTE 2. DEPOSITS

Custodial Credit Risk: Custodial credit risk is the risk that in the event of a bank failure, the Department's deposits may not be returned to it. The Department does not have a deposit policy for custodial credit risk. As of June 30, 2013, the Department reported deposits of \$1,094,912 with bank balances of \$1,263,657. Of the Department's total bank balance of \$1,263,657, \$669,641 was exposed to custodial credit risk as not all amounts were insured or collateralized.

Deposits have been reported as follows:

Reported in governmental funds	\$1,059,856
Reported in agency funds	<u>35,056</u>
Total deposits	<u>\$1,094,912</u>

**Jail Department of the County of Waldo, Maine
Notes to Basic Financial Statements
June 30, 2013**

NOTE 3. TAX ANTICIPATION NOTE

The Department entered into a temporary financing agreement as follows for the year ended June 30, 2013:

	Purpose of Financing	Balance 6/30/12	Draws	Paid	Balance 6/30/13
Bangor Savings Bank	Cash flow	<u>\$1,950,000</u>	<u>\$2,100,000</u>	<u>\$2,150,000</u>	<u>\$1,900,000</u>

NOTE 4. INTERFUND TRANSACTIONS

During the course of normal operations, the Department has numerous transactions between funds including expenditures and transfers.

Individual fund interfund receivable and payables balances at June 30, 2013 arising from these transactions were as follows:

	Receivables	Payables	Transfers In	Transfers Out
General fund	\$430	\$ -	\$ 2,933	\$17,012
Capital projects fund	<u>-</u>	<u>430</u>	<u>17,012</u>	<u>2,933</u>
	<u>\$430</u>	<u>\$430</u>	<u>\$19,945</u>	<u>\$19,945</u>

Transfers are used to (1) move revenues that are collected in accordance with the budget to the appropriate fund to expend and (2) use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorization.

NOTE 5. 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.

NOTE 6. EXPENDITURES OVER APPROPRIATIONS

The following appropriations were overspent for the year ended June 30, 2013:

Wages	\$(29,783)
Fuel	\$ (3,389)
Inmate medical	\$ (3,727)
Food	\$ (8,543)
Interest expense	\$ (2,238)
Unclassified	\$ (597)

Jail Department of the County of Waldo, Maine
Budgetary Comparison Schedule - Budgetary Basis
Budget and Actual - General Fund
For the Year ended June 30, 2013

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Assessments	\$ 2,832,353	\$ 2,832,353	\$ -
Intergovernmental	208,923	208,923	-
Charges for services	-	27,737	27,737
Total revenues	<u>3,041,276</u>	<u>3,069,013</u>	<u>27,737</u>
EXPENDITURES			
Current			
Wages	700,001	729,784	(29,783)
Fringe benefits	346,380	335,585	10,795
Administration	890,128	890,127	1
Professional fees	680,179	623,728	56,451
Vehicle operation	23,000	21,614	1,386
Fuel	18,000	21,389	(3,389)
Utilities	34,350	33,713	637
Rentals	24,670	24,670	-
Repairs and maintenance	78,370	64,324	14,046
Insurance	46,000	41,700	4,300
Inmate medical	25,000	28,727	(3,727)
Food	59,000	67,543	(8,543)
Supplies	11,500	10,337	1,163
Clothing and materials	5,900	5,309	591
Miscellaneous	2,980	626	2,354
Interest expense	16,000	18,238	(2,238)
Unclassified	30,503	31,100	(597)
Capital expenditures	<u>32,303</u>	<u>31,133</u>	<u>1,170</u>
Total expenditures	<u>3,024,264</u>	<u>2,979,647</u>	<u>44,617</u>
Excess of revenues over expenditures	<u>17,012</u>	<u>89,366</u>	<u>72,354</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	2,933	2,933
Transfers out	<u>(17,012)</u>	<u>(17,012)</u>	-
Total other financing sources and uses	<u>(17,012)</u>	<u>(14,079)</u>	<u>2,933</u>
Net change in fund balances	-	75,287	<u>\$ 75,287</u>
FUND BALANCE, BEGINNING DEFICIT	<u>(1,147,890)</u>	<u>(1,147,890)</u>	
FUND BALANCE, ENDING	<u><u>\$ (1,147,890)</u></u>	<u><u>\$ (1,072,603)</u></u>	

STATE OF MAINE
COUNTY OF WALDO
COURT OF COUNTY COMMISSIONERS

District

1 Betty I. Johnson 323-3767
2 William D. Shorey 548-6114
3 Amy R. Fowler 993-2292



Phone (207) 338-3282
Fax (207) 338-6788

E-mail: commissioners@waldocountyme.gov

Barbara L. Arseneau
County Clerk

39-B Spring Street
Belfast, ME 04915

David A. Parkman
Treasurer

Dear Citizens of Waldo County,


The Treasurer's Office has been trying to cut cost when ever possible. At the end of 2012, in hopes of saving on the printing cost of the Annual Reports, the Treasurer's Office purchased a binding machine. We were assured that the printing of the Annual Report could be done in house at a fraction of the price.

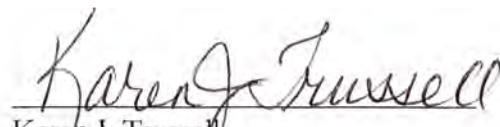
In prior years, we have paid anywhere from \$600 to \$675 to have the Annual Reports printed. We have saved the County over \$350 a year printing the reports right here in the office.

The Treasurer's Office would like to take the time to Thank the Deputy County Clerk Linda Kinney and Human Resource Director Michelle Wadsworth. Linda's suggestion to purchase the binding machine has truly been a wise investment. With all of our input here in the office, she created this beautiful cover. Michelle helped in finding pictures and had great suggestions on how to put it together. We are now able to do a lot more with the report and only print what we need.

Thank you Linda and Michelle for all your hard work in helping put this report together.

From the Treasurer's Office


David A. Parkman
Waldo County Treasurer


Karen J. Trussell
Deputy Treasurer