

CITY OF WESTBROOK, MAINE

ANNUAL FINANCIAL REPORT

AS OF AND FOR THE YEAR ENDED
JUNE 30, 2013

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ANNUAL FINANCIAL REPORT
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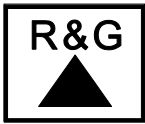
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Roberts & Greene, PLLC

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
City of Westbrook
Westbrook, Maine

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Westbrook, Maine, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

Management has not reported its liability or annual cost for postemployment benefits other than pensions (OPEB) in the discretely presented component unit. Accounting principles generally accepted in the United States of America require that management recognize these amounts, which would increase the liabilities, decrease net position, and increase expenses of the discretely presented component unit. The amounts by which these departures would affect the liabilities, net position, and expenses of the discretely presented component unit are not reasonably determinable.

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on Discretely Presented Component Unit" paragraph, the financial statements referred to previously do not present fairly the financial position of the discretely presented component unit of the City of Westbrook, 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 respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Westbrook, Maine, as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information and schedule of funding progress on pages 39 and 41 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The City of Westbrook has not presented a management's discussion and analysis. Accounting principles generally accepted in the United States of America have determined that the management's discussion and analysis is necessary to supplement, but is not required to be part of, the basic financial statements.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Westbrook's basic financial statements. The combining nonmajor fund schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The statistical section had not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

February 5, 2014

Roberts & Arnone, PLLC

BASIC FINANCIAL STATEMENTS

EXHIBIT 1
CITY OF WESTBROOK, MAINE
Statement of Net Position
June 30, 2013

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	School Department
ASSETS				
Cash and cash equivalents	\$ 18,429,663	\$ 2,149,662	\$ 20,579,325	\$ 27,518
Investments	1,069,934	-	1,069,934	-
Receivable from primary government	(3,380,872)	-	(3,380,872)	3,380,872
Intergovernmental receivable	90,443	477,861	568,304	1,110,335
Other receivables, net of allowances for uncollectible	2,617,092	481,591	3,098,683	31,848
Prepaid items	115,460	211,098	326,558	-
Inventory	-	-	-	38,704
Loan forgiveness	98,380	-	98,380	-
Due from fiduciary funds	34,317	-	34,317	-
Deferred interest expense - refunding	649,753	-	649,753	-
Capital assets, not being depreciated:				
Land	1,718,018	148,840	1,866,858	-
Construction in progress	-	735	735	-
Capital assets, net of accumulated depreciation:				
Buildings and building improvements	15,602,120	7,604,162	23,206,282	45,342,475
Machinery and equipment	1,654,002	304,426	1,958,428	361,737
Vehicles	2,666,929	-	2,666,929	876,899
Infrastructure	42,820,969	43,581,836	86,402,805	-
Total assets	<u>84,186,208</u>	<u>54,960,211</u>	<u>139,146,419</u>	<u>51,170,388</u>
LIABILITIES				
Cash overdraft	-	-	-	200,892
Accounts payable	1,504,660	(95)	1,504,565	996,084
Accrued payroll and benefits	242,516	-	242,516	1,769,035
Contract payable	149	-	149	-
Retainage payable	-	28,291	28,291	-
Accrued interest payable	555,171	-	555,171	-
Unearned revenue	206,399	-	206,399	197,705
Noncurrent obligations:				
Due within one year:				
Bonds and notes payable	4,693,500	66,500	4,760,000	-
Unamortized bond premium	23,387	-	23,387	-
Capital leases payable	118,520	-	118,520	52,878
Compensated absences	144,134	-	144,134	-
Accrued landfill postclosure care costs	20,000	-	20,000	-
Due in more than one year:				
Bonds and notes payable	53,289,500	1,015,500	54,305,000	-
Unamortized bond premium	532,138	-	532,138	-
Capital leases payable	144,302	-	144,302	94,979
Compensated absences	1,297,202	-	1,297,202	856,986
OPEB liability	227,329	-	227,329	-
Accrued landfill postclosure care costs	360,000	-	360,000	-
Total liabilities	<u>63,358,907</u>	<u>1,110,196</u>	<u>64,469,103</u>	<u>4,168,559</u>
NET POSITION				
Net investment in capital assets	39,175,895	50,557,999	89,733,894	46,433,254
Restricted:				
Endowments:				
Nonexpendable	-	-	-	10,000
Expendable	448,844	-	448,844	-
Other purposes	594,649	-	594,649	58,349
Unrestricted	(19,392,087)	3,292,016	(16,100,071)	500,226
Total net position	<u>\$ 20,827,301</u>	<u>\$ 53,850,015</u>	<u>\$ 74,677,316</u>	<u>\$ 47,001,829</u>

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

EXHIBIT 2
CITY OF WESTBROOK, MAINE
Statement of Activities
For the Fiscal Year Ended June 30, 2013

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	Net (Expense) Revenue and Changes in Net Position						
	Expenses	Program Revenues		Primary Government			Component Unit
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total	School Department
Primary government:							
Governmental activities:							
General government	\$ 3,458,084	\$ 119,432	\$ 299,339	\$ (3,039,313)	\$ -	\$ (3,039,313)	\$ -
Public safety	6,679,823	900,118	167,159	(5,612,546)	-	(5,612,546)	-
Public works	5,081,859	11,289	220,240	(4,850,330)	-	(4,850,330)	-
Human services	628,699			(628,699)	-	(628,699)	-
Culture and recreation	1,144,176	641,474	179,609	(323,093)	-	(323,093)	-
Employee benefits	2,806,025	-	-	(2,806,025)	-	(2,806,025)	-
Unclassified	2,413,880	-	-	(2,413,880)	-	(2,413,880)	-
Interest on long-term debt	957,843	-	-	(957,843)	-	(957,843)	-
Capital outlay	826,439	-	-	(826,439)	-	(826,439)	-
Total governmental activities	<u>23,996,828</u>	<u>1,672,313</u>	<u>866,347</u>	<u>(21,458,168)</u>	<u>-</u>	<u>(21,458,168)</u>	<u>-</u>
Business-type activities:							
Sewer department	4,601,507	4,361,430	-	-	(240,077)	(240,077)	-
Parking garage	270,869	165,564	-	-	(105,305)	(105,305)	-
Total business-type activities	<u>4,872,376</u>	<u>4,526,994</u>	<u>-</u>	<u>-</u>	<u>(345,382)</u>	<u>(345,382)</u>	<u>-</u>
Total primary government	<u>\$ 28,869,204</u>	<u>\$ 6,199,307</u>	<u>\$ 866,347</u>	<u>(21,458,168)</u>	<u>(345,382)</u>	<u>(21,803,550)</u>	<u>-</u>
Component unit:							
School department	<u>\$ 36,248,581</u>	<u>\$ 3,580,885</u>	<u>\$ 5,828,057</u>				<u>(26,839,639)</u>

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	School Department
Net expense	(21,458,168)	(345,382)	(21,803,550)	(26,839,639)
General revenues:				
Taxes:				
Real estate	26,833,930	-	26,833,930	-
Excise	2,632,647	-	2,632,647	-
Personal property	4,965,143	-	4,965,143	-
Other taxes	163,105	-	163,105	-
Licenses and permits	495,835	-	495,835	-
Grants and contributions not restricted to specific programs	2,652,656	-	2,652,656	11,870,300
Miscellaneous	898,098	215,044	1,113,142	177,350
Transfers	(14,199,922)	-	(14,199,922)	14,199,922
Total general revenues and transfers	24,441,492	215,044	24,656,536	26,247,572
Change in net position	2,983,324	(130,338)	2,852,986	(592,067)
Net position, beginning, as restated, see Note III.D.	17,843,977	53,980,353	71,824,330	47,593,896
Net position, ending	<u>\$ 20,827,301</u>	<u>\$ 53,850,015</u>	<u>\$ 74,677,316</u>	<u>\$ 47,001,829</u>

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

EXHIBIT 3
CITY OF WESTBROOK, MAINE
Balance Sheet
Governmental Funds
June 30, 2013

	General	Downtown TIF	William Clarke Drive	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 11,350,996	\$ -	\$ 959,472	\$ 6,119,195	\$ 18,429,663
Investments	-	-	-	1,069,934	1,069,934
Receivables, net of allowance for uncollectibles:					
Taxes	1,596,546	-	-	-	1,596,546
Accounts	457,010	-	-	341,851	798,861
Intergovernmental	-	-	-	90,443	90,443
Liens	-	-	-	221,685	221,685
Interfund receivable	2,017,048	-	-	-	2,017,048
Prepaid items	106,363	-	-	9,097	115,460
Total assets	<u>\$ 15,527,963</u>	<u>\$ -</u>	<u>\$ 959,472</u>	<u>\$ 7,852,205</u>	<u>\$ 24,339,640</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 397,197	\$ -	\$ 959,472	\$ 147,991	\$ 1,504,660
Accrued salaries and benefits	242,516	-	-	-	242,516
Contracts payable	-	-	-	149	149
Intergovernmental payable	3,380,872	-	-	-	3,380,872
Interfund payable	-	937,695	-	1,045,036	1,982,731
Deferred revenue	1,202,070	-	-	136,770	1,338,840
Total liabilities	<u>5,222,655</u>	<u>937,695</u>	<u>959,472</u>	<u>1,329,946</u>	<u>8,449,768</u>
Fund balances:					
Nonspendable	106,363	-	-	594,649	701,012
Restricted	-	-	-	448,844	448,844
Committed	2,394,792	-	-	6,002,923	8,397,715
Assigned	90,425	-	-	-	90,425
Unassigned	7,713,728	(937,695)	-	(524,157)	6,251,876
Total fund balances	<u>10,305,308</u>	<u>(937,695)</u>	<u>-</u>	<u>6,522,259</u>	<u>15,889,872</u>
Total liabilities and fund balances	<u>\$ 15,527,963</u>	<u>\$ -</u>	<u>\$ 959,472</u>	<u>\$ 7,852,205</u>	<u>\$ 24,339,640</u>

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

EXHIBIT 4
CITY OF WESTBROOK, MAINE
Reconciliation of Total Fund Balances of Governmental Funds to the Statement of Net Position
June 30, 2013

Total fund balances of governmental funds (Exhibit 3)		\$ 15,889,872
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Cost	\$ 111,494,587	
Less accumulated depreciation	<u>(47,032,549)</u>	
		64,462,038
Interfund receivables and payables between governmental funds are eliminated on the statement of net position.		
Receivables	\$ (1,982,731)	
Payables	<u>1,982,731</u>	
		-
Long-term revenues are not available to pay for current period expenditures and, therefore, are deferred in the funds.		
Deferred tax revenue		1,132,441
Interest on long-term debt is not accrued in governmental funds.		
Accrued interest payable		(555,171)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds and notes outstanding	\$ 57,983,000	
Deferred interest expense - refunding	(649,753)	
Loan forgiveness	(98,380)	
Unamortized bond premium	555,525	
Capital leases outstanding	262,822	
Compensated absences payable	1,441,336	
Other postemployment benefit liability	227,329	
Accrued landfill postclosure care costs	<u>380,000</u>	
		<u>(60,101,879)</u>
Total net position of governmental activities (Exhibit 1)		<u><u>\$ 20,827,301</u></u>

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

EXHIBIT 5
CITY OF WESTBROOK, MAINE
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2013

	General	Downtown TIF	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 34,778,650	\$ -	\$ 251,473	\$ 35,030,123
Licenses, permits and fees	450,229	-	45,606	495,835
Intergovernmental	3,156,076	-	294,318	3,450,394
Charges for services	916,955	-	755,358	1,672,313
Miscellaneous	313,928	-	652,779	966,707
Total revenues	<u>39,615,838</u>	<u>-</u>	<u>1,999,534</u>	<u>41,615,372</u>
Expenditures:				
Current:				
General government	2,760,269	-	691,413	3,451,682
Public safety	6,032,462	-	190,303	6,222,765
Public works	3,529,360	-	-	3,529,360
Human services	628,699	-	-	628,699
Culture and recreation	800,998	-	-	800,998
Employee benefits	2,682,996	-	-	2,682,996
Unclassified	1,598,936	-	-	1,598,936
Cemeteries	63,236	-	751,708	814,944
Debt service:				
Principal	1,507,003	542,829	285,803	2,335,635
Interest	786,845	-	-	786,845
Capital outlay	-	-	2,407,428	2,407,428
Total expenditures	<u>20,390,804</u>	<u>542,829</u>	<u>4,326,655</u>	<u>25,260,288</u>
Excess (deficiency) of revenues over (under) expenditures	<u>19,225,034</u>	<u>(542,829)</u>	<u>(2,327,121)</u>	<u>16,355,084</u>
Other financing sources (uses):				
Transfers in	2,499,778	491,235	5,375,160	8,366,173
Transfers out	(5,129,628)	-	(3,236,545)	(8,366,173)
Inception of capital lease	51,030	-	-	51,030
Transfer to component unit	(16,687,185)	-	-	(16,687,185)
Total other financing sources and uses	<u>(19,266,005)</u>	<u>491,235</u>	<u>2,138,615</u>	<u>(16,636,155)</u>
Net change in fund balances	(40,971)	(51,594)	(188,506)	(281,071)
Fund balances, beginning, as restated, see Note III.D.	10,346,279	(886,101)	6,710,765	16,170,943
Fund balances, ending	<u>\$ 10,305,308</u>	<u>\$ (937,695)</u>	<u>\$ 6,522,259</u>	<u>\$ 15,889,872</u>

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

EXHIBIT 6
CITY OF WESTBROOK, MAINE
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund
Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2013

Net change in fund balances of governmental funds (Exhibit 5) \$ (281,071)

Amounts reported for governmental activities in the statement of activities
are different because:

Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capitalized capital outlay in the current period.

Capitalized capital outlay	\$ 1,580,989	
Depreciation expense	(2,386,900)	
		(805,911)

Transfers in and out between governmental funds are eliminated
on the operating statement.

Transfers in	\$ (8,366,173)	
Transfers out	8,366,173	
		-

Revenue in the statement of activities that does not provide current financial
resources is not reported as revenue in governmental funds.

Change in deferred tax revenue		(435,298)
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The issuance of long-term debt provides current financial resources to
governmental funds, while the repayment of the principal of long-term debt consumes
the current financial resources of governmental funds. Neither transaction
however, has any effect on net position.

Inception of capital lease	\$ (51,030)	
Amortization of deferred interest from refunding	(46,411)	
Repayment of bonds and notes principal	4,641,485	
Bond premium amortization	20,515	
Repayment of capital lease principal	140,129	
		4,704,688

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

Decrease in accrued interest expense	\$ 36,311	
Increase in compensated absences payable	(132,366)	
Increase in other postemployment benefits liability	(123,029)	
Decrease in accrued landfill postclosure care costs	20,000	
		(199,084)

Change in net position of governmental activities (Exhibit 2)		\$ 2,983,324
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The notes to the financial statements are an integral part of this statement.

EXHIBIT 7
CITY OF WESTBROOK, MAINE
Balance Sheet
Proprietary Funds
June 30, 2013

	Business-type Activities - Enterprise Funds		
	Sewer Department	Parking Garage	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 1,646,349	\$ 503,313	\$ 2,149,662
Accounts receivable, net of allowance for uncollectible	481,591	-	481,591
Intergovernmental receivable	477,861	-	477,861
Prepaid items	211,098	-	211,098
Total current assets	<u>2,816,899</u>	<u>503,313</u>	<u>3,320,212</u>
Noncurrent assets:			
Capital assets:			
Land	108,351	40,489	148,840
Construction in progress	735	-	735
Buildings and building improvements	2,789,000	7,072,318	9,861,318
Machinery and equipment	356,173	31,102	387,275
Infrastructure	81,799,849	-	81,799,849
Less accumulated depreciation	<u>(39,253,900)</u>	<u>(1,304,118)</u>	<u>(40,558,018)</u>
Total noncurrent assets, net	<u>45,800,208</u>	<u>5,839,791</u>	<u>51,639,999</u>
Total assets	<u>\$ 48,617,107</u>	<u>\$ 6,343,104</u>	<u>\$ 54,960,211</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Current liabilities:			
Accounts payable	\$ (95)	\$ -	\$ (95)
Bonds payable, current	66,500	-	66,500
Retainage payable	28,291	-	28,291
Total current liabilities	<u>94,696</u>	<u>-</u>	<u>94,696</u>
Noncurrent liabilities:			
Bonds payable, noncurrent	1,015,500	-	1,015,500
Total liabilities	<u>1,110,196</u>	<u>-</u>	<u>1,110,196</u>
Fund balances:			
Net investment in capital assets	44,718,208	5,839,791	50,557,999
Unrestricted	2,788,703	503,313	3,292,016
Total fund balances	<u>47,506,911</u>	<u>6,343,104</u>	<u>53,850,015</u>
Total liabilities and fund balances	<u>\$ 48,617,107</u>	<u>\$ 6,343,104</u>	<u>\$ 54,960,211</u>

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

EXHIBIT 8
CITY OF WESTBROOK, MAINE
Statement of Revenues, Expenses and Changes in Fund Balances
Proprietary Funds
For the Fiscal Year Ended June 30, 2013

	Business-type Activities - Enterprise Funds		
	Sewer Department	Parking Garage	Total
Operating revenues:			
Sewer assessments	\$ 4,361,430	\$ -	\$ 4,361,430
Parking garage revenue	-	165,564	165,564
Miscellaneous	-	44	44
Total operating revenues	<u>4,361,430</u>	<u>165,608</u>	<u>4,527,038</u>
Operating expenses:			
PWD assessment	2,533,176	-	2,533,176
Sewer operations	537,567	-	537,567
Parking garage	-	126,573	126,573
Depreciation expense	1,484,985	144,296	1,629,281
Total operating expenses	<u>4,555,728</u>	<u>270,869</u>	<u>4,826,597</u>
Operating loss	<u>(194,298)</u>	<u>(105,261)</u>	<u>(299,559)</u>
Nonoperating revenue/expense:			
Contributions	215,000	-	215,000
Interest on bonds	(45,779)	-	(45,779)
Total nonoperating income (expense)	<u>169,221</u>	<u>-</u>	<u>169,221</u>
Net change in fund balances	(25,077)	(105,261)	(130,338)
Fund balances, beginning, as restated, see Note III.D.	47,531,988	6,448,365	53,980,353
Fund balances, ending	<u>\$ 47,506,911</u>	<u>\$ 6,343,104</u>	<u>\$ 53,850,015</u>

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

EXHIBIT 9
CITY OF WESTBROOK, MAINE
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2013

	Business-type Activities - Enterprise Funds		
	Sewer Department	Parking Garage	Total
Cash flows from operating activities:			
Receipts from customers and users	\$ 4,258,315	\$ 165,608	\$ 4,423,923
Payments to suppliers and employees	(3,070,743)	(126,573)	(3,197,316)
Net cash provided by operating activities	<u>1,187,572</u>	<u>39,035</u>	<u>1,226,607</u>
Cash flows from non-capital financing activities:			
Transfers from other funds	<u>215,000</u>	<u>-</u>	<u>215,000</u>
Cash flows from capital financing activities:			
Purchase of capital assets	(288,535)	-	(288,535)
Principal paid on bonds	(220,031)	-	(220,031)
Interest paid on bonds	(45,779)	-	(45,779)
Net cash used by capital and related financing activities	<u>(554,345)</u>	<u>-</u>	<u>(554,345)</u>
Increase in cash	848,227	39,035	887,262
Cash and cash equivalents, beginning	<u>798,122</u>	<u>464,278</u>	<u>1,262,400</u>
Cash and cash equivalents, ending	<u>\$ 1,646,349</u>	<u>\$ 503,313</u>	<u>\$ 2,149,662</u>
Reconciliation of operating loss to net cash provided by operating activities:			
Operating loss	\$ (194,298)	\$ (105,261)	\$ (299,559)
Adjustments to reconcile operating loss to net cash provided by operating activities:			
Depreciation expense	1,484,985	144,296	1,629,281
Increase in accounts receivable	(84,684)	-	(84,684)
Increase in intergovernmental receivables	(18,431)	-	(18,431)
Total adjustments	<u>1,381,870</u>	<u>144,296</u>	<u>1,526,166</u>
Net cash provided by operating activities	<u>\$ 1,187,572</u>	<u>\$ 39,035</u>	<u>\$ 1,226,607</u>

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

EXHIBIT 10
CITY OF WESTBROOK, MAINE
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2013

	Private Purpose Trust	Agency
Assets:		
Cash and cash equivalents	\$ 196,490	\$ 7,451
Accounts receivable	-	7,565
Total assets	<u>196,490</u>	<u>15,016</u>
Liabilities:		
Due to other funds	26,514	7,803
Escrow and performance deposits	-	7,213
Total liabilities	<u>26,514</u>	<u>15,016</u>
Net position:		
Held in trust for specific purposes	<u>\$ 169,976</u>	<u>\$ -</u>

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

EXHIBIT 11
CITY OF WESTBROOK, MAINE
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2013

	Private Purpose Trust
	<u> </u>
Additions:	
Investment earnings:	
Interest	92
Deductions:	
Trust distributions	<u>1,471</u>
Change in net position	(1,379)
Net position, beginning	<u>171,355</u>
Net position, ending	<u><u>\$ 169,976</u></u>

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

NOTES TO THE FINANCIAL STATEMENTS

**CITY OF WESTBROOK, MAINE
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED
JUNE 30, 2013**

I. Summary of Significant Accounting Principles

I.A. Introduction

The accounting and reporting framework and the more significant accounting principles and practices of the City of Westbrook (the City) are discussed in subsequent sections of this note. The remainder of the notes is organized to provide explanations, including required disclosures, of the City's financial activities for the fiscal year ended June 30, 2013.

I.B. Financial Reporting Entity – Basis of Presentation

I.B.1. Entity Defined

The City of Westbrook is a municipal corporation governed by an elected Mayor and seven-member City Council consisting of five members elected by ward and two elected at-large. These financial statements present the financial position and activity of the primary government. Component units are organizations for which the primary government is financially accountable, or other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the financial reporting entity's financial statements to be misleading or incomplete. Blended component units, although legally separate entities, are, in substance, part of the government's operations. The discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description).

Blended component unit – The **Westbrook Environmental Improvement Corporation** is a nonprofit corporation organized by the City of Westbrook for the purpose of coordinating the implementation of tax increment financing districts and undertaking various environmental improvement projects. Westbrook Environmental Improvement Corporation (WEIC) activity has been reported as a blended component unit in the Special Revenue Funds.

Discretely presented component unit – The **Westbrook School Department** is responsible for elementary and secondary education within the City's jurisdiction. The School Department is governed by a seven-member School Committee elected by the voters. However, the City is financially accountable for the School Department because the City Council approves the overall budget, levies taxes, and must approve any debt issuances. Complete financial statements for the School Department may be obtained at the School Department's business office.

Related organizations are excluded from the financial reporting entity because the City's accountability does not extend beyond making appointments. The City participates in the following related organization:

Greater Portland Transit District – The City, in conjunction with one other community, participates in the District. The District provides public transportation services to the residents of the participating

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communities. The District is managed by a Board of Directors selected by the elected municipal officers of each participating municipality. Except for members' proportional share of bonds payable, which are repaid through member assessments, no participant has any obligation or entitlement and the City's share of any residual interest has not been determined. Audited financial statements are available from the organization.

I.B.2. *Government-Wide and Fund Financial Statements*

Government-Wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the City as a whole, excluding fiduciary activities. The primary government and component units are presented separately within the financial statements with the focus on the primary government. Individual funds are not displayed, but the statements distinguish governmental activities, generally supported by taxes and city general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees, fines and forfeitures, and other charges for the City's services; and (2) operating grants and contributions, which finance annual operating activities including restricted investment income. These revenues are subject to externally imposed restrictions to these program uses. Taxes and revenue from other sources not properly included with program revenues are reported as general revenues.

Fund Financial Statements

Fund financial statements are provided for governmental, proprietary, and fiduciary funds. Major individual, governmental and proprietary funds are reported in separate columns with composite columns for the nonmajor governmental funds.

I.B.3. *Measurement Focus, Basis of Accounting and Financial Statement Presentation*

The financial statements of the City are prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The City's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity

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(between or within funds). Reimbursements are reported as reductions to expenses. Fiduciary fund financial statements also report using this same basis of accounting, although internal activity is not eliminated in these statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property tax revenues are recognized in the year for which they are levied, while grants are recognized when grantor eligibility requirements are met. The agency funds are custodial in nature and do not measure results of operations.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The City considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for general obligation debt principal and interest which are reported as expenditures in the year due.

Major revenues susceptible to accrual are real estate and personal property taxes, intergovernmental amounts, charges for services, and investment income. In general, other revenues are recognized when cash is received.

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

I.B.4. *Fund Types and Major Funds*

Governmental Funds

The City reports the following major governmental fund:

General Fund – Reports as the primary fund of the City. This fund is used to account for all financial resources not reported in other funds.

Downtown TIF – This fund reports as a Special Revenue Fund and is used to account for the Downtown Tax Increment Financing District of the City.

William Clarke Drive – Reports as a Capital Project Fund. This fund is used to account for the reconstruction and expansion of William Clarke Drive.

**CITY OF WESTBROOK, MAINE
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Proprietary Funds

The City reports the following major enterprise funds:

Sewer Department Fund – Accounts for the operating activities of the City’s sewer system.

Parking Garage Fund – Accounts for the operating activities of the City’s parking garage.

Fiduciary Funds

The City reports the following fiduciary funds:

Private Purpose Trust Funds – Account for financial resources of the City used only for the benefit of other entities or individuals.

Agency Funds – Account for fiduciary assets held by the City in a custodial capacity as an agent on behalf of others. The City’s agency funds are used to account for various minor city employee funds.

I.C. Assets, Liabilities, and Net Position or Fund Equity

I.C.1. Cash and Investments

The laws of the State of Maine require that the City’s treasurer have custody of all monies belonging to the City and pay out the same only upon orders of the Mayor and City Council. The treasurer shall deposit all monies in accordance with Maine State Statute 30-A §5706. Investments are stated at fair value based on quoted market prices.

I.C.2. Capital Assets and Depreciation

Generally, the City’s property, plant and equipment with useful lives of more than one year are stated at historical cost and reported in the government-wide financial statements. Donated assets are stated at fair value on the date donated. The City generally capitalizes assets with cost of \$5,000 or more as purchase and construction outlays occur. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed of, the cost and

**CITY OF WESTBROOK, MAINE
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applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. Estimated useful lives, in years, for depreciable assets are as follow:

	<u>Years</u>
Buildings and building improvements	25-120
Machinery and equipment	5-50
Vehicles	4-25
Infrastructure	50

I.C.3. *Long-Term Debt*

In the government-wide and proprietary fund financial statements, outstanding debt is reported as liabilities. The balance of long-term debt is not reported in the governmental funds.

I.C.4. *Compensated Absences*

It is the City's policy to permit employees to accumulate earned but unused, sick, vacation, and general leave time at various rates in accordance with union contracts and the City's personnel policy. Balances are accrued when incurred on the government-wide financial statements.

I.C.5. *Equity*

The government-wide statement of net position reports net position in the following components:

- Net investment in capital assets, which is computed as the total capital assets less accumulated depreciation, net of outstanding debt used to acquire those assets.
- Restricted for endowments, which represents the principal (nonexpendable) of endowments and interest (expendable) in the permanent funds that must be permanently invested and used for cemetery care.
- Restricted for other purposes, which represents the Gerald Fluett Trust, held to support the Library.
- Unrestricted, which consists of the remaining balance of net position.

The governmental funds report the following components of fund balance:

- Nonspendable, representing resources that are not currently in spendable form or legally or contractually required to be maintained intact. Nonspendable balances at June 30, 2013 represent prepaid items in the General Fund and endowments in the Permanent Funds.

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- Restricted, representing constraints on resources placed through external creditors, grantors, contributors, laws or regulations of other governments, or imposed by law through constitutional provision or by enabling legislation. Restricted balances at June 30, 2013 represent expendable balances of Permanent Funds.
- Committed, representing resources that are determined by the City's highest decision-making level of authority, the City Council. Committed fund balances at June 30, 2013 represent the balance of the City's Stabilization Reserve; an amount committed for future capital improvements in accordance with the City's fund balance policy; the balance of bond proceeds in the Capital Projects Funds; and balances of the Tax Increment Financing Districts, Open Space Funds, and Miscellaneous Special Revenue Funds.
- Assigned, which consists of encumbrances for which the intended use is established by City management.
- Unassigned, which represents the remaining fund balance in the General Fund, and the deficit fund balances of the Major Downtown TIF Fund and Nonmajor Governmental Funds.

I.C.6. *Estimates*

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

II. Stewardship, Compliance and Accountability

II.A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund. Unless encumbered, all appropriations lapse at year-end. The City is allowed to use beginning fund balance to balance the budget. In the fiscal year ended June 30, 2013, \$183,259 of the amount committed for tax stabilization and \$1,260,000 of the amount committed for capital outlay at the end of fiscal year 2012 was used.

Each year the Mayor submits to the City Council a budget for the ensuing fiscal year. It provides a complete financial plan of the City's General Fund. It begins with a general summary of its contents and shows in detail all estimated income, indicating the proposed property tax levy affecting the General Fund, and all proposed expenditures, including debt service, for the ensuing fiscal year, arranged to show comparative figures for actual and estimated income and expenditures to the preceding fiscal year.

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The Mayor, with City Council approval, may transfer budgeted amounts between departments. The City Council may, by resolution, appropriate additional amounts but only up to the amount of excess revenues and unencumbered budget surplus remaining after the purpose of the original appropriation has been satisfied. At the end of the fiscal year, all unencumbered appropriations lapse unless specifically continued by resolution of the City Council. No supplementary appropriations of the City's fund balance were made during the year ended June 30, 2013.

Encumbrance accounting is employed by the governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as assignments of fund balances and do not constitute expenditures or liabilities because they will be added to the appropriations voted in the subsequent year.

Revenues are budgeted by source. Expenditures are budgeted by functions as follow: general government, public safety, public works, human services, culture and recreation, employee benefits, unclassified, debt service and capital outlay.

II.B. Deficit Fund Equity

The Downtown TIF District has a deficit of \$937,695 at June 30, 2013. This is the result of the amount of tax recovered in the districts being less than the annual debt payments. The City expects future tax amounts will be greater than the annual debt payments as the captured value increases with development.

The Fire Donations and Library Reserve Funds have deficits of \$1,728 and \$383, respectively, at June 30, 2013. The City expects to fund these deficits by combining its donation funds that are for the same purpose, removing the deficit balances.

The School Vacation Camp, Summer Camp, Youth Activities, Adult Programs, and Westbrook Pool Special Revenue Funds have deficits of \$1,359, \$15,385, \$3,956, \$3,541, and \$56,283, respectively, at June 30, 2013. This is the result of the City reporting these funds separately, but are combined with all other Recreation Funds when determining the financial position of the Recreation Department. When combined, the Recreation Funds have a positive fund balance.

The CDBG, Library CPHC, Library Gates Grant, Byrne Memorial/JAG Grant, MDEA, Homeland Security, WinterWest Festival, and Assist to Firefighters Grant Special Revenue Funds have deficits of \$1,376, \$815, \$650, \$3,596, \$2,444, \$4,777, \$10,800, and \$666, respectively, at June 30, 2013. The City expects to receive future donations for the WinterWest Festival. The Byrne Memorial/JAG Grant, MDEA and Homeland Security Funds are will be funded by future grant reimbursements. Other deficits will be offset by transfers from other funds.

The West Business Heights, Stroudwater Street Sidewalk, Small Hardy Road Fields, and Bridge Street Bridge Capital Project Funds have deficits of \$343,067, \$43,572, \$21,605, and \$8,154 respectively, at

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June 30, 2013. The West Business Heights project deficit is the result of the City having not yet sold all development lots that were a part of the West Business Heights. The City expects that future sales of the lots will cover the deficit balance. The Stroudwater Street Sidewalk deficit is expected to be funded through a future transfer. The Small Hardy Road Fields and Bridge Street Bridge deficits have been funded by Capital Improvement Programs authorized by City Council during fiscal year 2014.

III. Detailed Notes on Funds and Government-Wide Statements

III.A. Assets

III.A.1. Cash and Investments

Custodial Credit Risk for Deposits

Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk. As of June 30, 2013, \$161,216 of the City of Westbrook's bank balances of \$20,556,517 was exposed to custodial credit risk as uninsured and uncollateralized.

Investments

As of June 30, 2013, the City's reporting entity had the following investments:

Certificates of Deposit	\$ 443,724
Mutual Funds	626,210
	<u>\$ 1,069,934</u>

Investment Risks

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City does not have an investment policy that places any restrictions on its investment choices.

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The City does not have an investment policy that addresses limiting interest rate risk.

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City does not have an investment policy that addresses concentration of credit risk. As of June 30, 2013, the City had \$212,056 invested in the Russell Strategic Bond Fund, \$121,997 invested in the Russell US Strategic Equity Fund, \$88,879 invested in the Russell International

**CITY OF WESTBROOK, MAINE
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Developed Markets Fund, and \$59,437 invested in the Russell Global Equity Fund, representing 19.82%, 11.40%, 8.31%, and 5.56%, respectively, of its total investments. With the exception of investments in certificates of deposit held by Cumberland County Credit Union, there are no other investments representing more than 5% of the total investments.

Custodial Credit Risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities in the possession of an outside party. Of the City's \$1,069,934 of investments, \$295,043 has exposure to custodial credit risk because the related securities are uninsured and uncollateralized.

III.A.2. *Receivables, Uncollectible Accounts and Deferred Revenue*

Property Taxes Receivable and Property Tax Calendar

Property taxes for the current year were committed on July 15, 2012 on the assessed value listed as of the previous April 1 for all real and personal property located in the City. All real and personal property taxes were due in four installments, 25% on August 15, 2012, 25% on November 15, 2012, 25% on February 15, 2013, and 25% on May 15, 2013. Interest at the rate of 7% per annum was charged on any amounts remaining unpaid after these respective due dates. Assessed values are periodically established by the City's Assessor at 100% of assumed market value. The assessed value was 100% of the estimated market value and 100% of the 2013 state valuation of \$1,893,140,610.

The City is permitted by the laws of the State of Maine to levy taxes up to 105% of its net budgeted expenditures for the related fiscal period. The amount raised in excess of 100% is referred to as overlay, and amounted to \$521,751 for the year ended June 30, 2013.

Tax liens are placed on real property within twelve months following the tax commitment date if taxes are delinquent. The City has the authority to foreclose on property eighteen months after the filing of the lien if the tax liens and associated costs remain unpaid.

The property taxes levied and collected by the City include amounts for Cumberland County and the Westbrook School Department (a component unit of the City). The City is responsible for the collection of these taxes.

CITY OF WESTBROOK, MAINE
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The tax rates and amounts assessed for the year ended June 30, 2013 were as follow:

Valuation:	
Real estate	\$ 1,539,387,550
Personal property	289,736,000
Total assessed valuation	<u>\$ 1,829,123,550</u>
Total assessed valuation	\$1,829,123,550
Tax rate (per \$1,000)	17.40
Total tax commitment	<u>\$ 31,826,750</u>

The following details the taxes receivable at year-end:

Real estate:	
Levy of 2013	\$ 773,493
Tax liens:	
Levy of 2012	271,981
Levy of 2011	118,246
Levies of 2010 and prior	291,657
Personal property:	
Levy of 2013	72,936
Levy of 2012	28,595
Levy of 2011	17,287
Levies of 2010 and prior	22,351
Taxes receivable	<u>\$ 1,596,546</u>

Other Receivables and Uncollectible Accounts

Significant receivables include charges for rescue services, parking fees, sewer system usage, parking garage tickets, revolving loans to local businesses, fees collected on behalf of the State of Maine, shared revenue, and state welfare reimbursements. These funds report accounts receivable net of any allowance for uncollectible amounts and revenues net of uncollectibles. The allowance amounts consist of balances of parking fees that are expected to be written off as bad debt, and the balance of sewer user charges that have been turned over to the City for collection by the Portland Water District.

Related amounts are shown in the following table:

	Governmental Funds	Enterprise Funds
Accounts	\$ 1,369,680	\$ 487,218
Intergovernmental	90,443	477,861
Loans	221,685	-
Less: allowance for uncollectible amounts	(570,819)	(5,627)
Net total receivables	<u>\$ 1,110,989</u>	<u>\$ 959,452</u>

CITY OF WESTBROOK, MAINE
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Deferred Revenue

Deferred revenue in the General Fund of \$1,202,070 at June 30, 2013 represents \$1,142,441 of real estate and personal property taxes that are not expected to be collected within 60 days, and therefore, are deferred in accordance with generally accepted accounting principles, and \$59,629 of prepayments made on real estate taxes due in the next fiscal year. Deferred revenue in the nonmajor governmental funds of \$136,770 represents payments received for summer camp programs to occur in the fiscal year 2014.

III.A.3. Capital Assets

Changes in Capital Assets

The following table provides a summary of changes in capital assets:

	Balance, beginning, as restated	Changes	Balance, ending
Governmental activities:			
At cost:			
Not being depreciated:			
Land	\$ 1,718,018	\$ -	\$ 1,718,018
Construction in progress			-
Land improvements		-	-
Machinery and equipment	3,561,376	358,530	3,919,906
Vehicles	5,936,620	410,348	6,346,968
Infrastructure	79,683,477	-	79,683,477
Total capital assets being depreciated	<u>108,195,580</u>	<u>1,580,989</u>	<u>109,776,569</u>
Total all capital assets	<u>109,913,598</u>	<u>1,580,989</u>	<u>111,494,587</u>
Less accumulated depreciation:			
Land improvements			-
Machinery and equipment	(2,015,200)	(250,704)	(2,265,904)
Vehicles	(3,261,982)	(418,057)	(3,680,039)
Infrastructure	(35,507,700)	(1,354,808)	(36,862,508)
Total accumulated depreciation	<u>(44,645,649)</u>	<u>(2,386,900)</u>	<u>(47,032,549)</u>
Net book value, capital assets being depreciated	<u>63,549,931</u>	<u>(805,911)</u>	<u>62,744,020</u>
Net book value, total capital assets	<u>\$ 65,267,949</u>	<u>\$ (805,911)</u>	<u>\$ 64,462,038</u>

CITY OF WESTBROOK, MAINE
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	Balance, beginning, as restated	Additions	Deletions	Balance, ending
Business-type activities:				
At cost:				
Not being depreciated:				
Land	\$ 148,840	\$ -	\$ -	\$ 148,840
Construction in progress	735	-	-	735
Total capital assets not being depreciated	<u>149,575</u>	<u>-</u>	<u>-</u>	<u>149,575</u>
Being depreciated:				
Buildings and building improvements	9,861,318	-	-	9,861,318
Vehicles	274,780	288,535	(176,040)	387,275
Infrastructure	81,799,849	-	-	81,799,849
Total capital assets being depreciated	<u>91,935,947</u>	<u>288,535</u>	<u>(176,040)</u>	<u>92,048,442</u>
Total all capital assets	<u>92,085,522</u>	<u>288,535</u>	<u>(176,040)</u>	<u>92,198,017</u>
Less accumulated depreciation:				
Buildings and building improvements	(2,049,430)	(207,726)	-	(2,257,156)
Vehicles	(249,275)	(9,614)	176,040	(82,849)
Infrastructure	(36,806,072)	(1,411,941)	-	(38,218,013)
Total accumulated depreciation	<u>(39,104,777)</u>	<u>(1,629,281)</u>	<u>176,040</u>	<u>(40,558,018)</u>
Net book value, capital assets being depreciated	<u>52,831,170</u>	<u>(1,340,746)</u>	<u>-</u>	<u>51,490,424</u>
Net book value, total capital assets	<u>\$ 52,980,745</u>	<u>\$ (1,340,746)</u>	<u>\$ -</u>	<u>\$ 51,639,999</u>

Depreciation Expense

Depreciation expense was charged to functions or activities of the City as follows:

Governmental activities:		Business-type activities:	
General government	\$ 25,419	Sewer department	\$ 1,484,985
Public safety	410,471	Parking garage	144,296
Public works	1,609,672	Total depreciation expense	<u>\$ 1,629,281</u>
Culture and recreation	341,338		
Total depreciation expense	<u>\$ 2,386,900</u>		

III.A.4. Restricted Net Position

The government-wide statement of net position includes restricted net position of \$448,844 for public trust funds reported as restricted to reflect restrictions contained in trust indentures limiting its use to cemetery care, and \$594,649 for public trust funds restricted for the support of the City's library.

CITY OF WESTBROOK, MAINE
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III.B. Long-Term Debt

General obligation bonds and notes are approved by the voters and repaid with general revenues (taxes). These notes are backed by the full faith and credit of the City.

Long-term liabilities currently outstanding in the governmental activities are as follow:

	Original Amount	Issue Date	Maturity Date	Interest Rate %	Outstanding at 6/30/2013	Current Portion
General obligation bonds/notes payable:						
2003 General Obligation Bond	\$ 9,730,000	2004	2023	4.21	\$ 7,705,000	\$ 250,000
2004 General Obligation Bond	\$ 11,745,000	2005	2024	2.50-3.75	1,755,000	585,000
2004 General Obligation Bond	\$ 500,000	2005	2014	4.50	125,000	60,000
2005 SRRF	\$ 1,650,000	2005	2015	0.00	330,000	165,000
2005 SRRF Loan Forgiveness*	\$ (491,900)	2005	2015		(98,380)	(49,190)
2006 General Obligation Bond	\$ 1,400,000	2006	2016	3.54	420,000	140,000
2009 General Obligation Bond	\$ 38,276,000	2009	2029	4.99	29,945,000	2,080,000
2011 General Obligation Bond	\$ 12,350,000	2011	2031	3.24	10,038,000	1,168,500
2012 General Obligation Bond	\$ 7,745,000	2012	2028	1.00-3.50	7,665,000	245,000
					<u>57,884,620</u>	<u>4,644,310</u>
* This amount is shown as an asset on the Statement of Net Position (Exhibit 1)						
Unamortized bond premium					<u>555,525</u>	<u>23,387</u>
Capital leases payable:						
Ambulance	\$ 149,948	2009	2014	4.42	32,638	32,638
Tractor	\$ 85,220	2010	2015	4.19	36,199	17,728
Fire Aerial Device	\$ 81,692	2012	2016	3.65	49,378	15,873
Ambulance	\$ 185,121	2012	2016	3.65	110,977	35,674
Police Cruisers	\$ 51,030	2013	2015	2.50	33,630	16,607
					<u>262,822</u>	<u>118,520</u>
Compensated absences payable:						
Vested Sick Leave					914,338	91,434
Accrued Vacation Leave					398,624	39,863
Vested Leave Benefits					128,374	12,837
					<u>1,441,336</u>	<u>144,134</u>
OPEB liability					<u>227,329</u>	<u>-</u>
Accrued landfill postclosure care costs					<u>380,000</u>	<u>20,000</u>
					<u>\$ 60,751,632</u>	<u>\$ 4,950,351</u>

CITY OF WESTBROOK, MAINE
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Long-term liabilities currently outstanding in the business-type activities are as follow:

	Original Amount	Issue Date	Maturity Date	Interest Rate %	Outstanding at 6/30/2013	Current Portion
General obligation bonds payable:						
2011 General Obligation Bond	\$ 1,215,000	2011	2031	3.24	\$ 1,082,000	\$ 66,500

Changes in Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended June 30, 2013:

	General Obligation Bonds and Notes, Net of Forgiveness	Unamortized Bond Premium	Capital Leases	Compensated Absences	OPEB Liability	Accrued Landfill Postclosure Care Costs	Total
Governmental activities:							
Balance, beginning	\$ 62,526,105	\$ 576,040	\$ 351,921	\$ 1,308,970	\$ 104,300	\$ 400,000	\$ 65,267,336
Additions	-	-	51,030	132,366	123,029	-	306,425
Reductions	(4,641,485)	(20,515)	(140,129)	-	-	(20,000)	(4,822,129)
Balance, ending	<u>\$ 57,884,620</u>	<u>\$ 555,525</u>	<u>\$ 262,822</u>	<u>\$ 1,441,336</u>	<u>\$ 227,329</u>	<u>\$ 380,000</u>	<u>\$ 60,751,632</u>
Business-type activities:							
Balance, beginning	\$ 1,302,031	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,302,031
Reductions	(220,031)	-	-	-	-	-	(220,031)
Balance, ending	<u>\$ 1,082,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,082,000</u>

Debt Service Requirements to Maturity

The annual debt service requirements to maturity for the bonds and notes outstanding as of year-end are as follow:

Fiscal Year Ending June 30,	Governmental Activities			
	Principal	Principal Forgiven	Interest	Total
2014	\$ 4,693,500	\$ (49,190)	\$ 2,536,262	\$ 7,180,572
2015	4,803,500	(49,190)	2,372,702	7,127,012
2016	4,663,500	-	2,251,918	6,915,418
2017	4,528,500	-	1,853,383	6,381,883
2018	4,543,500	-	1,678,290	6,221,790
2019-2023	19,750,500	-	5,760,884	25,511,384
2024-2028	12,995,000	-	1,884,077	14,879,077
2029-2031	2,005,000	-	67,951	2,072,951
Totals	<u>\$ 57,983,000</u>	<u>\$ (98,380)</u>	<u>\$ 18,405,467</u>	<u>\$ 76,290,087</u>

CITY OF WESTBROOK, MAINE
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Fiscal Year Ending June 30,	Business-type Activities		
	Principal	Interest	Total
2014	\$ 66,500	\$ 41,080	\$ 107,580
2015	61,500	39,160	100,660
2016	61,500	37,315	98,815
2017	61,500	35,470	96,970
2018	61,500	33,548	95,048
2019-2023	304,500	142,115	446,615
2024-2028	300,000	70,869	370,869
2029-2031	165,000	11,102	176,102
Totals	<u>\$ 1,082,000</u>	<u>\$ 410,659</u>	<u>\$ 1,492,659</u>

The future minimum lease obligations for the capital leases are as follow:

Fiscal Year Ending June 30,	Governmental Activities		
	Principal	Interest	Total
2014	118,520	9,655	128,175
2015	88,923	5,171	94,094
2016	55,379	2,021	57,400
Totals	<u>\$ 262,822</u>	<u>\$ 16,847</u>	<u>\$ 279,669</u>

Advance Refunding of Debt

On April 26, 2012, the City issued general obligation bonds to advance refund \$950,000 of outstanding series 2002 bonds and \$5,265,000 of outstanding series 2004 bonds. As a result, the 2002 and 2004 Series bonds are considered to be defeased and the liability for those bonds has been removed from the City's financial statements. This refunding resulted in a deferred interest expense, which is being amortized over the life of the refunding bond amortization. The balance of deferred interest expense at June 30, 2013 is \$649,753.

Accrued Landfill Postclosure Care Costs

The City presently has two landfills, both of which have been closed. Use of the Sandy Hill landfill ceased in 1987 and it has been covered with clay. The City ceased the use of the Rocky Hill Demolition Debris landfill in 1999. Federal and State laws and regulations require that the City continue to perform certain maintenance and monitoring functions at the landfill sites. A liability is being recognized based on the postclosure care costs that will be incurred. The estimated total current cost of the landfill postclosure care has a balance of \$380,000 as of June 30, 2013, which is based on the amount that would be paid if all equipment, facilities, and services required to monitor and maintain the landfill were acquired as of June 30, 2013. However, the actual cost of postclosure care may be higher or lower due to inflation, changes in technology, or changes in landfill laws and regulations. The City annually appropriates an amount for postclosure care costs.

**CITY OF WESTBROOK, MAINE
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III.C. Balances and Transfers – Payments Within the Reporting Entity

III.C.1. *Receivables and Payables*

Generally, outstanding balances between funds reported as “interfund receivables/payables” include outstanding charges by one fund to another for goods or services, subsidy commitments outstanding at year-end, or other miscellaneous amounts. Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is also reported as “interfund receivables/payables.”

The following schedule reports receivables and payables within the reporting entity at fiscal year-end:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Downtown TIF	\$ 937,695
General	Nonmajor	1,045,036
General	Private purpose trust	26,514
General	Agency	7,803
		<u><u>\$ 2,017,048</u></u>

The amount due to the General Fund from the Downtown TIF Fund represents an overdraft of pooled cash. The amount due to the General Fund from the nonmajor funds represents debt service payments made on behalf of the WEIC Fund, overdrafts of pooled cash, and an interfund loan to the revolving loan funds to be paid back as loan payments are received. The amounts due to the General Fund from the Fiduciary Funds represents overdrafts of pooled cash.

III.C.2. *Transfers*

Transfers within the reporting entity are substantially for the purposes of distributing taxes to the fund for which the appropriation was made, and distributing trust income to the applicable fund, and other voted amounts. The government-wide statement of activities eliminates transfers reported within the governmental activities columns.

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The following schedule reports transfers within the reporting entity:

	Transfers In:		
	General Fund	Downtown TIF Fund	Nonmajor Governmental Funds
			Total
Transfers out:			
Governmental funds:			
General	\$ -	\$ 491,235	\$ 4,638,393
Nonmajor	2,499,778	-	736,767
	<u>\$ 2,499,778</u>	<u>\$ 491,235</u>	<u>\$ 5,375,160</u>
			<u>\$ 8,366,173</u>

The amount transferred to the Downtown TIF Fund represents the transfer of tax revenues. The amount transferred to the nonmajor funds from the General Fund represents the transfer of tax revenues to the tax increment finance (TIF) districts and WEIC in accordance with the various agreements and voted amounts. The amount to the General Fund from the nonmajor funds represents transfers from the TIF districts in accordance with the agreements. The amounts from the nonmajor funds to other nonmajor funds represents transfers of the balances of bond proceeds from completed capital projects to other ongoing capital projects, and transfers from the TIF districts in accordance with the agreements.

III.D. Restatement of Beginning Equity

Net position and fund balances at July 1, 2012 were restated to reflect the following adjustments:

	Governmental Activities	General Fund	Sewer Fund
To write off receivable	\$ (10,435)	\$ (10,435)	\$ -
To record prepaid item	-	-	211,098
To correct capital assets and depreciation	1,528,985	-	(1,394,407)
Net position/fund balance, as previously reported	<u>16,519,427</u>	<u>10,356,714</u>	<u>48,715,297</u>
Net position/fund balance, as restated	<u>\$ 18,037,977</u>	<u>\$ 10,346,279</u>	<u>\$ 47,531,988</u>

CITY OF WESTBROOK, MAINE
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III.E. Fund Equity

The components of fund balance, as described in Note I.C.5, are reported for the following purposes:

	General Fund	Downtown TIF	Nonmajor Funds
Nonspendable:			
Endowments	\$ -	\$ -	\$ 594,649
Prepaid items	106,363	-	-
Total nonspendable	<u>106,363</u>	<u>-</u>	<u>594,649</u>
Restricted:			
General government	<u>-</u>	<u>-</u>	<u>448,844</u>
Committed:			
General government	-	-	1,432,069
Public safety	-	-	226,623
Public works	-	-	495,813
Human services	-	-	669
Culture and recreation	-	-	1,003,496
Capital outlay	967,000	-	2,844,253
Stabilization	1,427,792	-	-
Total committed	<u>2,394,792</u>	<u>-</u>	<u>6,002,923</u>
Assigned:			
General government	22,000	-	-
Public safety	6,125	-	-
Public works	55,000	-	-
Culture and recreation	2,500	-	-
Employee benefits	4,800	-	-
Total assigned	<u>90,425</u>	<u>-</u>	<u>-</u>
Unassigned	<u>7,713,728</u>	<u>(937,695)</u>	<u>(524,157)</u>
Total fund balance	<u><u>\$ 10,305,308</u></u>	<u><u>\$ (937,695)</u></u>	<u><u>\$ 6,522,259</u></u>

III.F. Fund Balance Policies

Tax Rate Stabilization

The City adopted a fund balance policy on December 12, 2011 that includes a stabilization arrangement. The arrangement allows for the City Council to set aside funds in the tax rate stabilization reserve to be used to reduce the needs from taxation for the coming years in periods of economic decline where valuation assessments are flat or decreasing, and/or periods of significant estimated revenue loss or periods of high increases in budgeted expenditures. Funding for the reserve will be committed by the City Council based upon recommendation of City Management. The balance of the tax rate stabilization reserve at June 30, 2013 is \$1,427,792.

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Fund Balance Policy

City Council adopted a fund balance policy on December 12, 2011. The City will maintain a minimum unassigned fund balance in the General Fund of 14% to 20% of the annual tax commitment. In the event that the unassigned fund balance drops below this minimum level, the City will develop a plan, implemented through the annual budget process, to bring the balance back to the target level over a period of no more than three years. A super majority vote of five affirmative votes is required for the City Council to take action on an item that temporarily reduces the fund balance below this minimum target level.

Amounts in excess of the target maximum of 20% shall be transferred to Capital Reserve Funds designated for capital improvements, Tax Stabilization Reserve, or other one-time expenditures as identified by the City Council. At June 30, 2013, the City had unassigned fund balance in the General Fund in excess of 20%, as shown below.

Fiscal Year 2013 Commitment Amount	\$ 31,826,750
A - 20% maximum threshold	6,365,350
B - Unassigned Fund Balance at June 30, 2013	<u>7,713,728</u>
Excess fund balance (B-A)	<u>\$ 1,348,378</u>

IV. Other Information

IV.A. Risk Management

The City is exposed to various risks from loss-related torts, theft of, damage to and destruction of assets, errors and omissions, and natural disasters for which the City either carries commercial insurance or is self-insured.

As of the date of this report, there are no unpaid claims outstanding, nor is the City aware of any potential claims, which have been incurred yet remain unreported and which should be recorded at June 30, 2013.

IV.B. Retirement Pensions

The Maine Public Employees Retirement System (MainePERS) is a multiple-employer, cost-sharing, contributory public employee defined benefit plan qualified under section 401(a) of the Internal Revenue Code, and funded through a trust which is exempt from tax under Internal Revenue Code section 501(a). The MainePERS provides service, disability, death and vested retirement benefits for

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the members and their beneficiaries. The Maine Legislature establishes the provisions for benefits and contributions.

Plan members are required to contribute 6.5% of their annual covered salary and the City of Westbrook is required to contribute an actuarially determined rate. The contribution rates of plan members and the City of Westbrook are established and may be amended by the MainePERS Board of Trustees.

Effective July 1, 2006, the City joined the MainePERS Consolidated Plan. Upon entry, the City ceased to be an individual sponsor of PLD #122 and PLD #70 and instead became a participant in the Consolidated Plan. As a participant of the plan, the City is required to amortize its remaining unfunded unpooled actuarial asset over a period of 15 years for PLD #122 and 11 years for PLD #70.

The MainePERS issues a separate financial report that is available by contacting the MainePERS at 46 State House Station, Augusta, Maine 04333-0046 or by calling 1-800-451-9800.

IV.C. 457 Retirement Plan

The City of Westbrook offers its employees a deferred compensation plan created in accordance with Internal Revenue Code (IRC) Section 457. The plan permits participating employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Assets of the plan are placed in a trust held by a third party for the exclusive benefit of participants and their beneficiaries. Accordingly, the assets and the liability for the compensation deferred by plan participants, including earnings on plan assets, are not included in the City's financial statements.

IV.D. Contingent Liabilities

There are various legal claims and suits pending against the City which arose in the normal course of the City's activities. In the opinion of management, the ultimate disposition of these various claims and suits will not have a material effect on the financial position of the City.

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement from the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the City believes such disallowances, if any, will be immaterial.

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IV.E. Other Postemployment Benefits

Plan Description

The City is a member of the Maine Municipal Employees Health Trust (the "Health Trust"). In addition to providing pension benefits, the City provides health care benefits for certain retired employees. Eligibility to receive health care benefits follows the same requirement as Maine PERS. Eligible retirees are required to pay 100% of the health insurance premiums to receive health benefit coverage. The City does not supplement the cost of this coverage directly, but recognizes the liability for the inclusion of implicit rate subsidies to the retirees. The subsidy occurs because when a blended rate is used for a group of individuals that includes younger and presumably healthier people along with older, retired people, implicitly, the active employees are subsidizing the retirees. As of January 1, 2013, the date of the most recent Actuarial Valuation Report, there were twenty retirees with four spouses, and one hundred twenty employees.

Benefits Provided

The City provides medical, dental and prescription drug coverage to retirees and their eligible spouses and dependents. Pre-Medicare retirees are offered the same plans that are available to the active employees. The plans are provided through the Health Trust, and include the Indemnity Choice Plan, the Traditional Point of Service Plan, the Comprehensive Point of Service Plan, and Comprehensive Point of Service Plan B, and the PPO Value Plan.

Funding Policy

Retirees contribute all of the premiums as determined by the City, but the remainder of the costs as derived from the implicit subsidy are paid by the City on a pay-as-you-go basis.

Annual OPEB Costs and Net OPEB Obligation

The City's annual OPEB expense for the fiscal year 2013 was calculated based on the annual required contribution of the City (ARC). The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize the unfunded actuarial liability over a period not to exceed thirty years.

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The City's annual OPEB cost for the fiscal year ended June 30, 2013 including the amount actually contributed to the plan and the change in the City's net OPEB obligation using the level funding amortization method is as follows:

Normal cost	\$ 50,493
Amortization of unfunded liability	80,796
Interest	2,600
Annual Required Contribution	<u>133,889</u>
Interest on Net OPEB Contribution	4,172
Adjustment to Annual Required Contribution	<u>(6,032)</u>
Annual OPEB Cost	132,029
Contribution made	(9,000)
Net OPEB Obligation (NOO), beginning	104,300
Net OPEB Obligation (NOO), ending	<u><u>\$ 227,329</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the fiscal years 2012 and 2013 are as follow:

Fiscal Year Ended June 30,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2012	\$ 154,485	32.49%	\$ 104,300
2013	\$ 132,029	6.82%	\$ 227,329

The funded status of the plan as of June 30, 2013, was as follows:

Actuarial Accrued Liability	\$ 1,453,010
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability	<u><u>\$ 1,453,010</u></u>
Funded Ratio (Actuarial Value of Plan Assets/AAL)	0.00%
Covered Payroll of Active Plan Members	\$ 8,037,365
UAAL as a Percentage of Covered Payroll	18.08%

Methods of Assumptions

The projected unit credit (PUC) cost method was used for the valuation. The amortization method is the level dollar open, amortized over 30 years. Under the PUC method, benefits are projected for life, and their present value is determined. The present value is divided into equal parts, which are earned

**CITY OF WESTBROOK, MAINE
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from date of hire to each decrement age. An open 30 year amortization period was used. The amortization method is a level dollar amortization method. The unfunded actuarial liability is the difference between the actuarial liability and the actuarial value of assets.

The information presented in the required supplementary schedules was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation follows.

Valuation Date	January 1, 2013
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Dollar Open
Amortization Period	30 years
Asset Valuation Method	N/A
Actuarial Assumptions	
Discount Rate	4.00%
Rate of Salary Increases	3.00%
Ultimate Rate of Medical Inflation	4.25%

REQUIRED SUPPLEMENTARY INFORMATION

EXHIBIT 12
CITY OF WESTBROOK, MAINE
General Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2013

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes	\$ 33,799,999	\$ 34,778,650	\$ 978,651
Licenses, permits and fees	286,000	450,229	164,229
Intergovernmental	2,982,635	3,156,076	173,441
Charges for services	660,800	916,955	256,155
Miscellaneous	305,000	313,928	8,928
Total revenues	<u>38,034,434</u>	<u>39,615,838</u>	<u>1,581,404</u>
EXPENDITURES			
Current:			
General government	2,752,283	2,728,082	24,201
Public safety	5,720,007	5,987,556	(267,549)
Public works	3,739,273	3,546,246	193,027
Human services	509,138	628,699	(119,561)
Culture and recreation	904,200	803,498	100,702
Employee benefits	2,821,981	2,687,796	134,185
Cemeteries	59,950	63,236	(3,286)
Unclassified	1,590,541	1,598,936	(8,395)
Debt service:			
Principal	1,454,987	1,507,003	(52,016)
Interest	808,254	786,845	21,409
Interest savings on refunding	(30,000)	-	(30,000)
Total expenditures	<u>20,330,614</u>	<u>20,337,897</u>	<u>(7,283)</u>
Excess of revenues over expenditures	<u>17,703,820</u>	<u>19,277,941</u>	<u>1,574,121</u>
Other financing sources (uses):			
Transfers in	2,499,778	2,499,778	-
Transfers out	(5,142,073)	(5,129,627)	12,446
Transfer to component unit	(16,504,784)	(16,687,185)	(182,401)
Total other financing sources and uses	<u>(19,147,079)</u>	<u>(19,317,034)</u>	<u>(169,955)</u>
Net change in fund balance	<u>\$ (1,443,259)</u>	<u>(39,093)</u>	<u>\$ 1,404,166</u>
Increase in nonspendable fund balance		(48,387)	
Decrease in committed fund balance		476,259	
Unassigned fund balance, beginning, as restated, see Note III.D.		7,324,949	
Unassigned fund balance, ending		<u>\$ 7,713,728</u>	

The note to the required supplementary information is an integral part of this statement.

CITY OF WESTBROOK, MAINE
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED
JUNE 30, 2013

Reconciliation of General Fund Budgetary Basis to GAAP

General Fund:

Revenues and other financing sources:	
Per Exhibit 12 (budgetary basis)	\$ 42,115,616
Adjustment:	
Basis difference:	
Capital lease inception	51,030
Per Exhibit 5 (GAAP basis)	<u>\$ 42,166,646</u>
Expenditures and other financing uses:	
Per Exhibit 12 (budgetary basis)	\$ 42,154,709
Adjustments:	
Basis difference:	
Encumbrances, beginning	92,303
Encumbrances, ending	(90,425)
Capital lease inception	51,030
Per Exhibit 5 (GAAP basis)	<u>\$ 42,207,617</u>

EXHIBIT 13
CITY OF WESTBROOK, MAINE
Other Postemployment Benefits
Schedule of Funding Progress
June 30, 2013

Valuation Date	Value of Assets	Accrued Liability	Unfunded Accrued Liability	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
January 1, 2011	\$ -	\$ 1,821,745	\$ 1,821,745	0.00%	\$ 7,803,267	23.35%
January 1, 2013	\$ -	\$ 1,453,010	\$ 1,453,010	0.00%	\$ 8,037,365	18.08%

COMBINING NONMAJOR FUND SCHEDULES – GOVERNMENTAL AND FIDUCIARY FUNDS

EXHIBIT 14
CITY OF WESTBROOK, MAINE
Nonmajor Governmental Funds
Tax Increment Financing District Funds
Combining Balance Sheet
June 30, 2013

	Westbrook Power	IDEXX	Total
ASSETS			
Cash and cash equivalents	\$ -	\$ 9,863	\$ 9,863
Accounts receivable	251,473	-	251,473
Total assets	<u>\$ 251,473</u>	<u>\$ 9,863</u>	<u>\$ 261,336</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Contracts payable	\$ -	\$ 149	\$ 149
Interfund payable	210,247	-	210,247
Total liabilities	<u>210,247</u>	<u>149</u>	<u>210,396</u>
Fund balances:			
Committed	41,226	9,714	50,940
Total liabilities and fund balances	<u>\$ 251,473</u>	<u>\$ 9,863</u>	<u>\$ 261,336</u>

EXHIBIT 15**CITY OF WESTBROOK, MAINE****Nonmajor Governmental Funds****Tax Increment Financing District Funds****Combining Statement of Revenues, Expenditures and Changes in Fund Balances****For the Fiscal Year Ended June 30, 2013**

	Westbrook Power	Acadia	SYSCO	D&G
REVENUES				
Taxes	\$ 251,473	\$ -	\$ -	\$ -
EXPENDITURES				
Current:				
General government	-	-	65,840	42,722
Debt service	204,863	-	-	-
Total expenditures	204,863	-	65,840	42,722
Excess (deficiency) of revenues over (under) expenditures	46,610	-	(65,840)	(42,722)
Other financing sources (uses):				
Transfers in	2,437,770	176,817	131,680	85,443
Transfers out	(2,439,778)	(176,817)	(65,840)	(42,721)
Total other financing sources and uses	(2,008)	-	65,840	42,722
Net change in fund balances	44,602	-	-	-
Fund balances, beginning	(3,376)	-	-	-
Fund balances, ending	\$ 41,226	\$ -	\$ -	\$ -

Exhibit 15

<u>Lanco</u>	<u>TAF Office</u>	<u>Olympia</u>	<u>IDEXX</u>	<u>Total</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 251,473</u>
21,136	300,000	52,778	-	482,476
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>204,863</u>
<u>21,136</u>	<u>300,000</u>	<u>52,778</u>	<u>-</u>	<u>687,339</u>
<u>(21,136)</u>	<u>(300,000)</u>	<u>(52,778)</u>	<u>-</u>	<u>(435,866)</u>
42,272	300,000	105,557	-	3,279,539
<u>(21,136)</u>	<u>-</u>	<u>(52,779)</u>	<u>-</u>	<u>(2,799,071)</u>
<u>21,136</u>	<u>300,000</u>	<u>52,778</u>	<u>-</u>	<u>480,468</u>
-	-	-	-	44,602
<u>-</u>	<u>-</u>	<u>-</u>	<u>9,714</u>	<u>6,338</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,714</u>	<u>\$ 50,940</u>

EXHIBIT 16
CITY OF WESTBROOK, MAINE
Nonmajor Governmental Funds
Open Space Funds
Combining Balance Sheet
June 30, 2013

	Hawthorne Lane	Fitzgerald Woods	Vance/ Fox Knoll	Homestead Village	Riverfront Lots	CR Dev/ Wilson Drive
ASSETS						
Cash and cash equivalents	\$ 4,653	\$ 7,250	\$3,958	\$ 1,306	\$ 140	\$4,267
FUND BALANCES						
Committed	\$ 4,653	\$ 7,250	\$3,958	\$ 1,306	\$ 140	\$4,267

HW Land Co/ Victoria Drive	Hannaford Field Donation	Casella Donation	Unknown Origin	Parking Study	Essex	Longfellow	Gateway Fees	Total
<u>\$ 4,400</u>	<u>\$ 39,999</u>	<u>\$15,000</u>	<u>\$160,166</u>	<u>\$7,757</u>	<u>\$5,340</u>	<u>\$ 3,845</u>	<u>\$50,005</u>	<u>\$ 308,086</u>
<u>\$ 4,400</u>	<u>\$ 39,999</u>	<u>\$ 15,000</u>	<u>\$ 160,166</u>	<u>\$ 7,757</u>	<u>\$ 5,340</u>	<u>\$ 3,845</u>	<u>\$ 50,005</u>	<u>\$ 308,086</u>

EXHIBIT 17**CITY OF WESTBROOK, MAINE****Nonmajor Governmental Funds****Open Space Funds****Combining Statement of Revenues, Expenditures and Changes in Fund Balances****For the Fiscal Year Ended June 30, 2013**

	Hawthorne Lane	Fitzgerald Woods	Vance/ Fox Knoll	Homestead Village	Riverfront Lots	CR Dev/ Wilson Drive	HW Land Co/ Victoria Drive
REVENUES							
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balances, beginning	4,653	7,250	3,958	1,306	140	4,267	4,400
Fund balances, ending	<u>\$ 4,653</u>	<u>\$ 7,250</u>	<u>\$ 3,958</u>	<u>\$ 1,306</u>	<u>\$ 140</u>	<u>\$ 4,267</u>	<u>\$ 4,400</u>

Exhibit 17

Hannaford Field Donation	Casella Donation	Unknown Origin	Parking Study	Essex	Longfellow	Gateway Fees	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$50,005	\$ 50,005
39,999	15,000	160,166	7,757	5,340	3,845	-	258,081
<u>\$ 39,999</u>	<u>\$ 15,000</u>	<u>\$ 160,166</u>	<u>\$ 7,757</u>	<u>\$ 5,340</u>	<u>\$ 3,845</u>	<u>\$ 50,005</u>	<u>\$ 308,086</u>

EXHIBIT 18
CITY OF WESTBROOK, MAINE
Nonmajor Governmental Funds
Revolving Loan Funds
Combining Balance Sheet
June 30, 2013

	After School Special	Maine Dovetail	Affordable Business	Corey Associates	JDK Commercial	Profenno's Pizzeria	Total
ASSETS							
Loans receivable	\$ 14,397	\$ 45,103	\$ 5,055	\$ 38,522	\$ 68,608	\$ 50,000	\$ 221,685
LIABILITIES							
Interfund payable	\$ 14,397	\$ 45,103	\$ 5,055	\$ 38,522	\$ 68,608	\$ 50,000	\$ 221,685

EXHIBIT 19
CITY OF WESTBROOK, MAINE
Nonmajor Governmental Funds
Capital Projects - Reserve Funds
Combining Balance Sheet
June 30, 2013

	Rescue Donations	Fire Heart Safety Donations	Fire Donations	Triad Program	Fire Thermal Imaging Camera
ASSETS					
Cash and cash equivalents	<u>\$ 2,436</u>	<u>\$ 821</u>	<u>\$ -</u>	<u>\$ 2,645</u>	<u>\$ 2,274</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Interfund payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,728</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balances:					
Committed	2,436	821	-	2,645	2,274
Unassigned	<u>-</u>	<u>-</u>	<u>(1,728)</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>2,436</u>	<u>821</u>	<u>(1,728)</u>	<u>2,645</u>	<u>2,274</u>
Total liabilities and fund balances	<u>\$ 2,436</u>	<u>\$ 821</u>	<u>\$ -</u>	<u>\$ 2,645</u>	<u>\$ 2,274</u>

Exhibit 19

<u>Dog Fees</u>	<u>Police Donations</u>	<u>Juvenile Divisions</u>	<u>Police Forfeiture</u>	<u>Police Copier</u>	<u>Safety & Wellness Grant</u>	<u>PWD Donation</u>
<u>\$ 7,220</u>	<u>\$ 7,305</u>	<u>\$ 2,137</u>	<u>\$ 50,977</u>	<u>\$ 7,410</u>	<u>\$ 11,080</u>	<u>\$ 205</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>7,220</u>	<u>7,305</u>	<u>2,137</u>	<u>50,977</u>	<u>7,410</u>	<u>11,080</u>	<u>205</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>7,220</u>	<u>7,305</u>	<u>2,137</u>	<u>50,977</u>	<u>7,410</u>	<u>11,080</u>	<u>205</u>
<u>\$ 7,220</u>	<u>\$ 7,305</u>	<u>\$ 2,137</u>	<u>\$ 50,977</u>	<u>\$ 7,410</u>	<u>\$ 11,080</u>	<u>\$ 205</u>
						(continued)

EXHIBIT 19 (continued)
CITY OF WESTBROOK, MAINE
Nonmajor Governmental Funds
Capital Projects - Reserve Funds
Combining Balance Sheet
June 30, 2013

	PW Highland Lake Fence	PW Equipment	PWD Heating System	Fire Equipment	Library
ASSETS					
Cash and cash equivalents	<u>\$ 6,944</u>	<u>\$ 161,446</u>	<u>\$ 7,471</u>	<u>\$ 1,365</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Interfund payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 383</u>
Fund balances:					
Committed	6,944	161,446	7,471	1,365	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(383)</u>
Total fund balances	<u>6,944</u>	<u>161,446</u>	<u>7,471</u>	<u>1,365</u>	<u>(383)</u>
Total liabilities and fund balances	<u>\$ 6,944</u>	<u>\$ 161,446</u>	<u>\$ 7,471</u>	<u>\$ 1,365</u>	<u>\$ -</u>

Exhibit 19

<u>Library Donations</u>	<u>Boat Launch</u>	<u>Davan Pool</u>	<u>Community Services</u>	<u>Employee Assistance</u>	<u>Community Dental</u>	<u>Building</u>	<u>Building Maintenance</u>
<u>\$ 28,539</u>	<u>\$ 3,060</u>	<u>\$ 33,179</u>	<u>\$ 10,324</u>	<u>\$ 10,619</u>	<u>\$ 1,831</u>	<u>\$ 86,994</u>	<u>\$ 64,253</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
28,539	3,060	33,179	10,324	10,619	1,831	86,994	64,253
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>28,539</u>	<u>3,060</u>	<u>33,179</u>	<u>10,324</u>	<u>10,619</u>	<u>1,831</u>	<u>86,994</u>	<u>64,253</u>
<u>\$ 28,539</u>	<u>\$ 3,060</u>	<u>\$ 33,179</u>	<u>\$ 10,324</u>	<u>\$ 10,619</u>	<u>\$ 1,831</u>	<u>\$ 86,994</u>	<u>\$ 64,253</u>

(continued)

EXHIBIT 19 (continued)
CITY OF WESTBROOK, MAINE
Nonmajor Governmental Funds
Capital Projects - Reserve Funds
Combining Balance Sheet
June 30, 2013

	City Hall	Athletic Field	Planning For Offsite Improvements	PSB Parking	Home Repair Network	Total
ASSETS						
Cash and cash equivalents	<u>\$ 15,580</u>	<u>\$ 44,045</u>	<u>\$ 50,000</u>	<u>\$ 82,501</u>	<u>\$ 29,141</u>	<u>\$ 731,802</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Interfund payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,111</u>
Fund balances:						
Committed	15,580	44,045	50,000	82,501	29,141	731,802
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,111)</u>
Total fund balances	<u>15,580</u>	<u>44,045</u>	<u>50,000</u>	<u>82,501</u>	<u>29,141</u>	<u>729,691</u>
Total liabilities and fund balances	<u>\$ 15,580</u>	<u>\$ 44,045</u>	<u>\$ 50,000</u>	<u>\$ 82,501</u>	<u>\$ 29,141</u>	<u>\$ 731,802</u>

EXHIBIT 20**CITY OF WESTBROOK, MAINE****Nonmajor Governmental Funds****Capital Projects - Reserve Funds****Combining Statement of Revenues, Expenditures and Changes in Fund Balances****For the Fiscal Year Ended June 30, 2013**

	Rescue Donations	Fire Heart Safety Donations	Fire Donations	Triad Program	Fire Thermal Imaging Camera	Dog Fees
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-
Miscellaneous	140	-	45	-	-	-
Total revenues	140	-	45	-	-	-
EXPENDITURES						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Total expenditures	-	-	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	140	-	45	-	-	-
Other financing sources:						
Transfers in	-	-	-	-	-	-
Net change in fund balances	140	-	45	-	-	-
Fund balances, beginning	2,296	821	(1,773)	2,645	2,274	7,220
Fund balances, ending	\$ 2,436	\$ 821	\$ (1,728)	\$ 2,645	\$ 2,274	\$ 7,220

Exhibit 20

<u>Police Donations</u>	<u>Juvenile Divisions</u>	<u>Police Forfeiture</u>	<u>Police Copier</u>	<u>Safety & Wellness Grant</u>	<u>PWD Donation</u>	<u>PW Highland Lake Fence</u>
\$ -	\$ -	\$ 915	\$ -	\$ -	\$ -	\$ -
-	-	57,765	-	-	-	-
-	-	-	-	-	-	-
-	-	58,680	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	409	-	-
-	-	25,038	-	-	-	-
-	-	-	-	-	-	-
-	-	25,038	-	409	-	-
-	-	-	-	-	-	-
-	-	33,642	-	(409)	-	-
-	-	-	-	-	-	-
-	-	33,642	-	(409)	-	-
7,305	2,137	17,335	7,410	11,489	205	6,944
<u>\$ 7,305</u>	<u>\$ 2,137</u>	<u>\$ 50,977</u>	<u>\$ 7,410</u>	<u>\$ 11,080</u>	<u>\$ 205</u>	<u>\$ 6,944</u>

(continued)

EXHIBIT 20 (continued)
CITY OF WESTBROOK, MAINE
Nonmajor Governmental Funds
Capital Projects - Reserve Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2013

	PW Equipment	PWD Heating System	Fire Equipment	Library	Library Donations	Boat Launch
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-
Miscellaneous	17,880	-	-	-	6,153	-
Total revenues	17,880	-	-	-	6,153	-
EXPENDITURES						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Culture and recreation	-	-	-	-	1,008	-
Total expenditures	-	-	-	-	1,008	-
Excess (deficiency) of revenues over (under) expenditures	17,880	-	-	-	5,145	-
Other financing sources:						
Transfers in	-	-	-	-	-	-
Net change in fund balances	17,880	-	-	-	5,145	-
Fund balances, beginning	143,566	7,471	1,365	(383)	23,394	3,060
Fund balances, ending	<u>\$ 161,446</u>	<u>\$ 7,471</u>	<u>\$ 1,365</u>	<u>\$ (383)</u>	<u>\$ 28,539</u>	<u>\$ 3,060</u>

Exhibit 20

(continued)

EXHIBIT 20 (continued)
CITY OF WESTBROOK, MAINE
Nonmajor Governmental Funds
Capital Projects - Reserve Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2013

	City Hall	Athletic Field	Planning for Offsite Improvements	PSB Parking	Home Repair Network	Total
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 915
Charges for services	-	-	-	-	-	57,765
Miscellaneous	-	-	-	82,501	-	106,719
Total revenues	-	-	-	82,501	-	165,399
EXPENDITURES						
Current:						
General government	2,805	-	-	-	-	3,214
Public safety	-	-	-	-	-	25,038
Culture and recreation	-	-	-	-	-	1,008
Total expenditures	2,805	-	-	-	-	29,260
Excess (deficiency) of revenues over (under) expenditures	(2,805)	-	-	82,501	-	136,139
Other financing sources:						
Transfers in	-	-	-	-	-	12,000
Net change in fund balances	(2,805)	-	-	82,501	-	148,139
Fund balances, beginning	18,385	44,045	50,000	-	29,141	581,552
Fund balances, ending	<u>\$ 15,580</u>	<u>\$ 44,045</u>	<u>\$ 50,000</u>	<u>\$ 82,501</u>	<u>\$ 29,141</u>	<u>\$ 729,691</u>

EXHIBIT 21
CITY OF WESTBROOK, MAINE
Nonmajor Governmental Funds
Miscellaneous Special Revenue Funds
Combining Balance Sheet
June 30, 2013

	Westbrook Environmental Improvement Corporation	Riverwalk Fine Arts Festival	CDBG	Library CPHC
ASSETS				
Cash and cash equivalents	\$ 703,878	\$ 2,356	\$ -	\$ -
Investments	418,833	-	-	-
Receivables:				
Accounts	-	-	-	-
Intergovernmental	-	-	-	-
Prepaid items	-	-	-	-
Total assets	<u>\$ 1,122,711</u>	<u>\$ 2,356</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Interfund payable	-	-	1,376	815
Deferred revenue	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>1,376</u>	<u>815</u>
Fund balances:				
Committed	1,122,711	2,356	-	-
Unassigned	-	-	(1,376)	(815)
Total fund balances	<u>1,122,711</u>	<u>2,356</u>	<u>(1,376)</u>	<u>(815)</u>
Total liabilities and fund balances	<u>\$ 1,122,711</u>	<u>\$ 2,356</u>	<u>\$ -</u>	<u>\$ -</u>

Exhibit 21

Capital Maintenance Library Renovations	Capital Maintenance JR Re-Use	Capital Maintenance PW Facility	Library Gates Grant	Summer HV Enforcement Camp	PROP Underage Drinking
\$ 75,890	\$ 17,166	\$ 34,130	\$ -	\$ 1,053	\$ -
-	-	-	-	-	-
-	-	-	-	-	2,107
-	-	-	-	1,947	-
-	-	-	-	-	-
<u>\$ 75,890</u>	<u>\$ 17,166</u>	<u>\$ 34,130</u>	<u>\$ -</u>	<u>\$ 3,000</u>	<u>\$ 2,107</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	650	-	2,107
-	-	-	-	-	-
-	-	-	650	-	2,107
75,890	17,166	34,130	-	3,000	-
-	-	-	(650)	-	-
75,890	17,166	34,130	(650)	3,000	-
<u>\$ 75,890</u>	<u>\$ 17,166</u>	<u>\$ 34,130</u>	<u>\$ -</u>	<u>\$ 3,000</u>	<u>\$ 2,107</u>

(continued)

EXHIBIT 21 (continued)
CITY OF WESTBROOK, MAINE
Nonmajor Governmental Funds
Miscellaneous Special Revenue Funds
Combining Balance Sheet
June 30, 2013

	Byrne Memorial/ JAG Grant	Holiday Enforcement	Community Health Grant	MDEA
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-
Receivables:	-	-	-	-
Accounts	-	-	-	-
Intergovernmental	-	2,827	669	-
Prepaid items	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ 2,827</u>	<u>\$ 669</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Interfund payable	3,596	2,827	-	2,444
Deferred revenue	-	-	-	-
Total liabilities	<u>3,596</u>	<u>2,827</u>	<u>-</u>	<u>2,444</u>
Fund balances:				
Committed	-	-	669	-
Unassigned	(3,596)	-	-	(2,444)
Total fund balances	<u>(3,596)</u>	<u>-</u>	<u>669</u>	<u>(2,444)</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 2,827</u>	<u>\$ 669</u>	<u>\$ -</u>

Exhibit 21

<u>Police Outside Details</u>	<u>Homeland Security - PD</u>	<u>ATV Grant</u>	<u>Winter West Festival</u>	<u>FD Outside Details</u>	<u>FD Misc Awards & Decorations</u>
\$ 72,342	\$ -	\$ 4,500	\$ -	\$ 7,496	\$ 132
-	-	-	-	-	-
-	-	-	-	-	-
32,825	-	-	50	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 105,167</u>	<u>\$ -</u>	<u>\$ 4,500</u>	<u>\$ 50</u>	<u>\$ 7,496</u>	<u>\$ 132</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	4,777	-	10,850	-	-
-	-	-	-	-	-
<u>-</u>	<u>4,777</u>	<u>-</u>	<u>10,850</u>	<u>-</u>	<u>-</u>
105,167	-	4,500	-	7,496	132
-	(4,777)	-	(10,800)	-	-
<u>105,167</u>	<u>(4,777)</u>	<u>4,500</u>	<u>(10,800)</u>	<u>7,496</u>	<u>132</u>
<u>\$ 105,167</u>	<u>\$ -</u>	<u>\$ 4,500</u>	<u>\$ 50</u>	<u>\$ 7,496</u>	<u>\$ 132</u>

(continued)

EXHIBIT 21 (continued)
CITY OF WESTBROOK, MAINE
Nonmajor Governmental Funds
Miscellaneous Special Revenue Funds
Combining Balance Sheet
June 30, 2013

	Fire Sprinkler Grant	Assist to Firefighters Grant	Street Openings	Recreation
ASSETS				
Cash and cash equivalents	\$ 10,658	\$ -	\$ 200,962	\$ 251,488
Investments	-	-	-	-
Receivables:				
Accounts	-	-	2,154	-
Intergovernmental	-	-	-	-
Prepaid items	-	-	-	-
Total assets	<u>\$ 10,658</u>	<u>\$ -</u>	<u>\$ 203,116</u>	<u>\$ 251,488</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 2,584
Interfund payable	-	666	-	-
Deferred revenue	-	-	-	-
Total liabilities	<u>-</u>	<u>666</u>	<u>-</u>	<u>2,584</u>
Fund balances:				
Committed	10,658	-	203,116	248,904
Unassigned	-	(666)	-	-
Total fund balances	<u>10,658</u>	<u>(666)</u>	<u>203,116</u>	<u>248,904</u>
Total liabilities and fund balances	<u>\$ 10,658</u>	<u>\$ -</u>	<u>\$ 203,116</u>	<u>\$ 251,488</u>

Exhibit 21

Before Care	School Vacation Camp	Summer Camp	Youth Activities	Adult Programs	Westbrook Pool	Field Maintenance	Total
\$ 108,283	\$ -	\$ 103,650	\$ -	\$ -	\$ -	\$ 79,060	\$ 1,673,044
-	-	-	-	-	-	-	418,833
45,494	-	7,748	-	-	-	-	90,378
-	-	-	-	-	-	-	5,443
-	-	9,097	-	-	-	-	9,097
<u>\$ 153,777</u>	<u>\$ -</u>	<u>\$ 120,495</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 79,060</u>	<u>\$ 2,196,795</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,584
-	1,359	-	3,956	3,541	56,283	-	95,247
890	-	135,880	-	-	-	-	136,770
<u>890</u>	<u>1,359</u>	<u>135,880</u>	<u>3,956</u>	<u>3,541</u>	<u>56,283</u>	<u>-</u>	<u>234,601</u>
152,887	-	-	-	-	-	79,060	2,067,842
-	(1,359)	(15,385)	(3,956)	(3,541)	(56,283)	-	(105,648)
<u>152,887</u>	<u>(1,359)</u>	<u>(15,385)</u>	<u>(3,956)</u>	<u>(3,541)</u>	<u>(56,283)</u>	<u>79,060</u>	<u>1,962,194</u>
<u>\$ 153,777</u>	<u>\$ -</u>	<u>\$ 120,495</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 79,060</u>	<u>\$ 2,196,795</u>

EXHIBIT 22**CITY OF WESTBROOK, MAINE****Nonmajor Governmental Funds****Miscellaneous Special Revenue Funds****Combining Statement of Revenues, Expenditures and Changes in Fund Balances****For the Fiscal Year Ended June 30, 2013**

	Westbrook Environmental Improvement Corporation	Riverwalk Fine Arts Festival	CDBG	Seatbelt Grant
REVENUES				
Licenses, permits and fees	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	2,902	-	-	-
Total revenues	<u>2,902</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current:				
General government	194,958	-	-	-
Public safety	-	-	-	1,769
Culture and recreation	-	-	-	-
Debt service	80,940	-	-	-
Capital outlay	25,000	-	-	-
Total expenditures	<u>300,898</u>	<u>-</u>	<u>-</u>	<u>1,769</u>
Excess (deficiency) of revenues over (under) expenditures	(297,996)	-	-	(1,769)
Other financing sources:				
Transfers in	<u>359,293</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	61,297	-	-	(1,769)
Fund balances, beginning	<u>1,061,414</u>	<u>2,356</u>	<u>(1,376)</u>	<u>1,769</u>
Fund balances, ending	<u>\$ 1,122,711</u>	<u>\$ 2,356</u>	<u>\$ (1,376)</u>	<u>\$ -</u>

Speed Enforcement	Drinking Enforcement	Library CPHC	Capital Maintenance Library Renovations	Capital Maintenance JR Re-Use	Capital Maintenance PW Facility	Library Gates Grant	Summer HV Enforcement Camp
\$ -	\$ -	\$ -	\$ 30,374	\$ 5,108	\$ 10,124	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	30,374	5,108	10,124	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,795	1,750	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,795	1,750	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(1,795)	(1,750)	-	30,374	5,108	10,124	-	-
-	-	-	-	-	-	-	-
(1,795)	(1,750)	-	30,374	5,108	10,124	-	-
1,795	1,750	(815)	45,516	12,058	24,006	(650)	3,000
\$ -	\$ -	\$ (815)	\$ 75,890	\$ 17,166	\$ 34,130	\$ (650)	\$ 3,000

(continued)

EXHIBIT 22 (continued)
CITY OF WESTBROOK, MAINE
Nonmajor Governmental Funds
Miscellaneous Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2013

	COPS Grant	Byrne Memorial/ JAG Grant	Holiday Enforcement	OUI Emphasis
REVENUES				
Licenses, permits and fees	\$ -	\$ -	\$ -	\$ -
Intergovernmental	48,245	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>48,245</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	48,245	3,833	2,827	3,744
Culture and recreation	-	-	-	-
Principal	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>48,245</u>	<u>3,833</u>	<u>2,827</u>	<u>3,744</u>
Excess (deficiency) of revenues over (under) expenditures	-	(3,833)	(2,827)	(3,744)
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	(3,833)	(2,827)	(3,744)
Fund balances, beginning	-	237	2,827	3,744
Fund balances, ending	<u>\$ -</u>	<u>\$ (3,596)</u>	<u>\$ -</u>	<u>\$ -</u>

Exhibit 22

Community Health Grant	MDEA	Police Outside Details	Homeland Security - PD	ATV Grant	Winter West Festival	FD Outside Details
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	56,249	-	9,300	-	-	-
-	-	69,225	-	-	-	-
-	-	-	-	-	500	-
-	56,249	69,225	9,300	-	500	-
-	-	-	-	-	-	-
974	61,453	-	23,086	-	-	412
-	-	-	-	-	1,300	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
974	61,453	-	23,086	-	1,300	412
(974)	(5,204)	69,225	(13,786)	-	(800)	(412)
-	-	-	-	-	-	-
(974)	(5,204)	69,225	(13,786)	-	(800)	(412)
1,643	2,760	35,942	9,009	4,500	(10,000)	7,908
\$ 669	\$ (2,444)	\$ 105,167	\$ (4,777)	\$ 4,500	\$ (10,800)	\$ 7,496

(continued)

EXHIBIT 22 (continued)
CITY OF WESTBROOK, MAINE
Nonmajor Governmental Funds
Miscellaneous Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2013

	FD Misc Awards & Decorations	Fire Sprinkler Grant	Assist to Firefighters Grant	Street Openings
REVENUES				
Licenses, permits and fees	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	87,132
Total revenues	-	-	-	87,132
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	15,377
Culture and recreation	-	-	-	-
Debt service	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	-	-	15,377
Excess (deficiency) of revenues over (under) expenditures	-	-	-	71,755
Other financing sources:				
Transfers in	-	-	-	-
Net change in fund balances	-	-	-	71,755
Fund balances, beginning	132	10,658	(666)	131,361
Fund balances, ending	\$ 132	\$ 10,658	\$ (666)	\$ 203,116

Exhibit 22

Recreation	Before Care	School Vacation Camp	Summer Camp	Youth Activities	Adult Programs	Westbrook Pool	Field Maintenance	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,606
-	-	-	-	-	-	-	-	113,794
66,704	278,415	200	166,142	53,863	-	63,044	-	697,593
9,480	-	-	-	-	-	25,996	-	126,010
76,184	278,415	200	166,142	53,863	-	89,040	-	983,003
-	-	-	-	-	-	-	-	194,958
-	-	-	-	-	-	-	-	165,265
80,366	260,808	1,559	167,356	51,648	-	136,924	45,826	745,787
-	-	-	-	-	-	-	-	80,940
-	-	-	-	-	-	-	-	25,000
80,366	260,808	1,559	167,356	51,648	-	136,924	45,826	1,211,950
(4,182)	17,607	(1,359)	(1,214)	2,215	-	(47,884)	(45,826)	(228,947)
-	-	-	-	-	-	-	86,854	446,147
(4,182)	17,607	(1,359)	(1,214)	2,215	-	(47,884)	41,028	217,200
253,086	135,280	-	(14,171)	(6,171)	(3,541)	(8,399)	38,032	1,744,994
\$ 248,904	\$ 152,887	\$ (1,359)	\$ (15,385)	\$ (3,956)	\$ (3,541)	\$ (56,283)	\$ 79,060	\$ 1,962,194

EXHIBIT 23
CITY OF WESTBROOK, MAINE
Nonmajor Governmental Funds
Capital Projects
Combining Balance Sheet
June 30, 2013

	Interest	Riverfront	Redundant Power	Eisenhower Drive Sidewalk	Paving
ASSETS					
Cash and cash equivalents	\$ 594,419	\$ 33,689	\$ 47,220	\$ 176,795	\$ 370,300
Intergovernmental receivables	-	-	-	-	-
Total assets	<u>\$ 594,419</u>	<u>\$ 33,689</u>	<u>\$ 47,220</u>	<u>\$ 176,795</u>	<u>\$ 370,300</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ 24,550	\$ -	\$ -	\$ 120,857
Interfund payable	-	-	-	-	-
Total liabilities	<u>-</u>	<u>24,550</u>	<u>-</u>	<u>-</u>	<u>120,857</u>
Fund balances:					
Committed	594,419	9,139	47,220	176,795	249,443
Unassigned	-	-	-	-	-
Total fund balances	<u>594,419</u>	<u>9,139</u>	<u>47,220</u>	<u>176,795</u>	<u>249,443</u>
Total liabilities and fund balances	<u>\$ 594,419</u>	<u>\$ 33,689</u>	<u>\$ 47,220</u>	<u>\$ 176,795</u>	<u>\$ 370,300</u>

Exhibit 23

Public Services Facility	HVAC Library	Squad Vehicle	West Business Heights	Food Pantry	Spring & County Roads
\$ 230,110	\$12,177	\$ 588	\$ -	\$ 39,541	\$ 114,617
-	-	-	-	-	-
<u>\$ 230,110</u>	<u>\$12,177</u>	<u>\$ 588</u>	<u>\$ -</u>	<u>\$ 39,541</u>	<u>\$ 114,617</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	343,067	-	-
-	-	-	<u>343,067</u>	-	-
230,110	12,177	588	-	39,541	114,617
-	-	-	(343,067)	-	-
<u>230,110</u>	<u>12,177</u>	<u>588</u>	<u>(343,067)</u>	<u>39,541</u>	<u>114,617</u>
<u>\$ 230,110</u>	<u>\$12,177</u>	<u>\$ 588</u>	<u>\$ -</u>	<u>\$ 39,541</u>	<u>\$ 114,617</u>

(continued)

EXHIBIT 23 (continued)
CITY OF WESTBROOK, MAINE
Nonmajor Governmental Funds
Capital Projects
Combining Balance Sheet
June 30, 2013

	City Hall Wiring	Marylin & Carlson Streets	View Drainage	Stroudwater Street Sidewalk	Salt Shed
ASSETS					
Cash and cash equivalents	\$ 20,157	\$ 50,100	\$ 40,000	\$ -	\$ 521
Intergovernmental receivables	-	-	-	-	-
Total assets	<u>\$ 20,157</u>	<u>\$ 50,100</u>	<u>\$ 40,000</u>	<u>\$ -</u>	<u>\$ 521</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund payable	-	-	-	43,572	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>43,572</u>	<u>-</u>
Fund balances:					
Committed	20,157	50,100	40,000	-	521
Unassigned	-	-	-	(43,572)	-
Total fund balances	<u>20,157</u>	<u>50,100</u>	<u>40,000</u>	<u>(43,572)</u>	<u>521</u>
Total liabilities and fund balances	<u>\$ 20,157</u>	<u>\$ 50,100</u>	<u>\$ 40,000</u>	<u>\$ -</u>	<u>\$ 521</u>

Exhibit 23

Walker Building Repair	Community Center	Playground Equipment	Athletic Equipment	Landfill Bond	PW Equipment	Small Hardy Road Fields
\$ -	\$ 90,262	\$ 10,462	\$ 32,558	\$ 63,095	\$ 191,778	\$ -
85,000	-	-	-	-	-	-
<u>\$ 85,000</u>	<u>\$ 90,262</u>	<u>\$ 10,462</u>	<u>\$ 32,558</u>	<u>\$ 63,095</u>	<u>\$ 191,778</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
57,639	-	-	-	-	-	21,605
<u>57,639</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,605</u>
27,361	90,262	10,462	32,558	63,095	191,778	-
-	-	-	-	-	-	(21,605)
<u>27,361</u>	<u>90,262</u>	<u>10,462</u>	<u>32,558</u>	<u>63,095</u>	<u>191,778</u>	<u>(21,605)</u>
<u>\$ 85,000</u>	<u>\$ 90,262</u>	<u>\$ 10,462</u>	<u>\$ 32,558</u>	<u>\$ 63,095</u>	<u>\$ 191,778</u>	<u>\$ -</u>
<i>(continued)</i>						

EXHIBIT 23 (continued)
CITY OF WESTBROOK, MAINE
Nonmajor Governmental Funds
Capital Projects
Combining Balance Sheet
June 30, 2013

	School CIP	Engineering CIP	Recreation CIP	Public Safety CIP	Public Services CIP	Bridge Street Bridge	Total
ASSETS							
Cash and cash equivalents	\$ 6,076	\$ 215,083	\$ 175,000	\$ 427,047	\$ 20,704	\$ -	\$ 2,962,299
Intergovernmental receivables	-	-	-	-	-	-	85,000
Total assets	<u>\$ 6,076</u>	<u>\$ 215,083</u>	<u>\$ 175,000</u>	<u>\$ 427,047</u>	<u>\$ 20,704</u>	<u>\$ -</u>	<u>\$ 3,047,299</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 145,407
Interfund payable	-	-	-	-	-	8,154	474,037
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,154</u>	<u>619,444</u>
Fund balances:							
Committed	6,076	215,083	175,000	427,047	20,704	-	2,844,253
Unassigned	-	-	-	-	-	(8,154)	(416,398)
Total fund balances	<u>6,076</u>	<u>215,083</u>	<u>175,000</u>	<u>427,047</u>	<u>20,704</u>	<u>(8,154)</u>	<u>2,427,855</u>
Total liabilities and fund balances	<u>\$ 6,076</u>	<u>\$ 215,083</u>	<u>\$ 175,000</u>	<u>\$ 427,047</u>	<u>\$ 20,704</u>	<u>\$ -</u>	<u>\$ 3,047,299</u>

EXHIBIT 24
CITY OF WESTBROOK, MAINE
Nonmajor Governmental Funds
Capital Projects
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2013

	Interest	Equipment Lift	Riverfront	Redundant Power
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Miscellaneous	8,386	-	-	-
Total revenues	8,386	-	-	-
EXPENDITURES				
Current:				
General government	-	-	-	-
Capital outlay	-	-	31,280	2,663
Total expenditures	-	-	31,280	2,663
Excess (deficiency) of revenues over (under) expenditures	8,386	-	(31,280)	(2,663)
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	(16,679)	-	-
Total other financing sources and uses	-	(16,679)	-	-
Net change in fund balances	8,386	(16,679)	(31,280)	(2,663)
Fund balances, beginning	586,033	16,679	40,419	49,883
Fund balances, ending	\$ 594,419	\$ -	\$ 9,139	\$ 47,220

Exhibit 24

Eisenhower Drive Sidewalk	Equipment Bond	Paving	Joint Dispatch	Public Services Facility	HVAC Library	Squad Vehicle
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	471,635	-	4,020	-	-
-	-	471,635	-	4,020	-	-
-	-	(471,635)	-	(4,020)	-	-
-	-	400,000	-	291,335	-	-
-	(291,335)	-	(54,830)	-	-	-
-	(291,335)	400,000	(54,830)	291,335	-	-
-	(291,335)	(71,635)	(54,830)	287,315	-	-
176,795	291,335	321,078	54,830	(57,205)	12,177	588
<u>\$ 176,795</u>	<u>\$ -</u>	<u>\$ 249,443</u>	<u>\$ -</u>	<u>\$ 230,110</u>	<u>\$ 12,177</u>	<u>\$ 588</u>

(continued)

EXHIBIT 24 (continued)
CITY OF WESTBROOK, MAINE
Nonmajor Governmental Funds
Capital Projects
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2013

	West Business Heights	Food Pantry	Spring & County Roads	City Hall Wiring	Marylin & Carlson Streets
REVENUES					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous	-	-	-	-	-
Total revenues	-	-	-	-	-
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Capital outlay	-	-	100,000	-	-
Total expenditures	-	-	100,000	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	(100,000)	-	-
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources and uses	-	-	-	-	-
Net change in fund balances	-	-	(100,000)	-	-
Fund balances, beginning	(343,067)	39,541	214,617	20,157	50,100
Fund balances, ending	<u>\$ (343,067)</u>	<u>\$ 39,541</u>	<u>\$ 114,617</u>	<u>\$ 20,157</u>	<u>\$ 50,100</u>

Exhibit 24

Two Message Boards	View Drainage	Stroudwater Street Sidewalk	Salt Shed	Walker Building Repair	Community Center
\$ -	\$ -	\$ -	\$ -	\$ 85,000	\$ 94,609
-	-	-	-	-	288,050
-	-	-	-	85,000	382,659
-	-	-	-	-	-
-	-	-	-	265,991	780,381
-	-	-	-	265,991	780,381
-	-	-	-	(180,991)	(397,722)
-	-	-	-	-	-
(14,630)	-	-	-	-	-
(14,630)	-	-	-	-	-
(14,630)	-	-	-	(180,991)	(397,722)
14,630	40,000	(43,572)	521	208,352	487,984
\$ -	\$ 40,000	\$ (43,572)	\$ 521	\$ 27,361	\$ 90,262

(continued)

EXHIBIT 24 (continued)
CITY OF WESTBROOK, MAINE
Nonmajor Governmental Funds
Capital Projects
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2013

	Playground Equipment	Athletic Equipment	Landfill Bond	PW Equipment	Small Hardy Road Fields
REVENUES					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous	-	-	-	-	-
Total revenues	-	-	-	-	-
EXPENDITURES					
Current:					
General government	-	-	-	-	10,765
Capital outlay	23,744	14,022	-	471,751	-
Total expenditures	23,744	14,022	-	471,751	10,765
Excess (deficiency) of revenues over (under) expenditures	(23,744)	(14,022)	-	(471,751)	(10,765)
Other financing sources (uses):					
Transfers in	-	-	-	160,000	-
Transfers out	-	-	-	-	-
Total other financing sources and uses	-	-	-	160,000	-
Net change in fund balances	(23,744)	(14,022)	-	(311,751)	(10,765)
Fund balances, beginning	34,206	46,580	63,095	503,529	(10,840)
Fund balances, ending	\$ 10,462	\$ 32,558	\$ 63,095	\$ 191,778	\$ (21,605)

Exhibit 24

School CIP	Engineering CIP	Recreation CIP	Public Safety CIP	Public Services CIP	Bridge Street Bridge	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 179,609
-	5,000	-	-	-	-	301,436
-	5,000	-	-	-	-	481,045
-	-	-	-	-	-	10,765
-	22,759	-	175,423	10,605	8,154	2,382,428
-	22,759	-	175,423	10,605	8,154	2,393,193
-	(17,759)	-	(175,423)	(10,605)	(8,154)	(1,912,148)
-	200,000	50,000	504,830	31,309	-	1,637,474
-	-	-	-	-	-	(377,474)
-	200,000	50,000	504,830	31,309	-	1,260,000
-	182,241	50,000	329,407	20,704	(8,154)	(652,148)
6,076	32,842	125,000	97,640	-	-	3,080,003
\$ 6,076	\$ 215,083	\$ 175,000	\$ 427,047	\$ 20,704	\$ (8,154)	\$ 2,427,855

EXHIBIT 25
CITY OF WESTBROOK, MAINE
Nonmajor Governmental Funds
Permanent Funds
Combining Balance Sheet
June 30, 2013

	Woodlawn Cemetery	Saccarappa Cemetery	Highland Lake Cemetery	Larabee Cemetery	Gerald Fluett Trust	Total
ASSETS						
Cash and cash equivalents	\$ 405,799	\$ 2,821	\$ 7,264	\$ 8,069	\$ 10,148	\$ 434,101
Investments	24,891	-	-	-	626,210	651,101
Total assets	<u>\$ 430,690</u>	<u>\$ 2,821</u>	<u>\$ 7,264</u>	<u>\$ 8,069</u>	<u>\$ 636,358</u>	<u>\$1,085,202</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Interfund payable	\$ -	\$ -	\$ -	\$ -	\$ 41,709	\$ 41,709
Fund balances:						
Nonspendable	-	-	-	-	594,649	594,649
Restricted	430,690	2,821	7,264	8,069	-	448,844
Total fund balances	<u>430,690</u>	<u>2,821</u>	<u>7,264</u>	<u>8,069</u>	<u>594,649</u>	<u>1,043,493</u>
Total liabilities and fund balances	<u>\$ 430,690</u>	<u>\$ 2,821</u>	<u>\$ 7,264</u>	<u>\$ 8,069</u>	<u>\$ 636,358</u>	<u>\$1,085,202</u>

EXHIBIT 26
CITY OF WESTBROOK, MAINE
Nonmajor Governmental Funds
Permanent Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2013

	Woodlawn Cemetery	Saccarappa Cemetery	Highland Lake Cemetery	Larabee Cemetery	Gerald Fluett Trust	Total
REVENUES						
Miscellaneous	\$ 2,288	\$ -	\$ -	\$ 63	\$ 66,258	\$ 68,609
EXPENDITURES						
Current:						
Culture and recreation	-	-	-	-	4,913	4,913
Excess of revenues over expenditures	2,288	-	-	63	61,345	63,696
Other financing uses:						
Transfers out	-	-	-	-	(60,000)	(60,000)
Net change in fund balances	2,288	-	-	63	1,345	3,696
Fund balances, beginning	428,402	2,821	7,264	8,006	593,304	1,039,797
Fund balances, ending	<u>\$ 430,690</u>	<u>\$ 2,821</u>	<u>\$ 7,264</u>	<u>\$ 8,069</u>	<u>\$ 594,649</u>	<u>\$ 1,043,493</u>

EXHIBIT 27
CITY OF WESTBROOK, MAINE
Fiduciary Funds
Private Purpose Trust Funds
Combining Statement of Fiduciary Net Position
June 30, 2013

	<u>Wescott</u>	<u>Valentine Hose Co.</u>	<u>Saccarappa School</u>	<u>Community Dental</u>	<u>Pierre Hanois</u>	<u>Service Chest</u>	<u>Cemetery Flowers</u>	<u>Total</u>
ASSETS								
Cash and cash equivalents	\$ 531	\$ 116	\$ 917	\$ 19,213	\$ 34,614	\$ 84,979	\$ 56,120	\$ 196,490
LIABILITIES								
Interfund payable	-	-	-	-	-	26,514	-	26,514
NET POSITION								
Restricted	<u>\$ 531</u>	<u>\$ 116</u>	<u>\$ 917</u>	<u>\$ 19,213</u>	<u>\$ 34,614</u>	<u>\$ 58,465</u>	<u>\$ 56,120</u>	<u>\$ 169,976</u>

EXHIBIT 28
CITY OF WESTBROOK, MAINE
Fiduciary Funds
Private Purpose Trust Funds
Combining Statement of Changes in Net Position
For the Fiscal Year Ended June 30, 2013

	Wescott	Valentine Hose Co.	Saccarappa School	Community Dental	Pierre Hanois	Service Chest	Cemetery Flowers	Total
ADDITIONS								
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 92	\$ -	\$ 92
DEDUCTIONS								
Current:								
Trust distributions	-	-	-	-	-	-	1,471	1,471
Net change in net position	-	-	-	-	-	92	(1,471)	(1,379)
Net position, beginning	531	116	917	19,213	34,614	58,373	57,591	171,355
Net position, ending	<u>\$ 531</u>	<u>\$ 116</u>	<u>\$ 917</u>	<u>\$ 19,213</u>	<u>\$ 34,614</u>	<u>\$ 58,465</u>	<u>\$ 56,120</u>	<u>\$ 169,976</u>

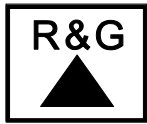
STATISTICAL SECTION

TABLE 1
CITY OF WESTBROOK, MAINE
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal year	Total levy	Current taxes collected or abated	Current taxes outstanding at end of fiscal year	Percent of current year levy collected	Outstanding at June 30, 2013	Percent of levy collected as of June 30, 2013
2004	\$ 26,376,774	\$ 25,843,336	\$ 533,438	97.98%	\$ 11,008	99.96%
2005	\$ 28,083,287	\$ 27,509,808	\$ 573,479	97.96%	\$ 14,897	99.95%
2006	\$ 27,984,811	\$ 27,350,819	\$ 633,992	97.73%	\$ 14,849	99.95%
2007	\$ 29,436,977	\$ 28,752,498	\$ 684,479	97.67%	\$ 23,911	99.92%
2008	\$ 29,301,947	\$ 28,535,366	\$ 766,581	97.38%	\$ 51,921	99.82%
2009	\$ 29,555,275	\$ 28,809,521	\$ 745,754	97.48%	\$ 62,003	99.79%
2010	\$ 30,792,981	\$ 30,099,284	\$ 693,697	97.75%	\$ 80,616	99.74%
2011	\$ 30,890,124	\$ 29,730,369	\$ 1,129,755	96.25%	\$ 118,246	99.62%
2012	\$ 31,839,460	\$ 30,789,235	\$ 1,050,225	96.70%	\$ 271,981	99.15%
2013	\$ 31,826,750	\$ 31,053,194	\$ 773,556	97.57%	\$ 773,556	97.57%

TABLE 2
CITY OF WESTBROOK, MAINE
Computation of Statutory Debt Limit
as of June 30, 2013
In Accordance with 30-A MRSA, Section 5702

	Outstanding bonds and notes	Percent of State assessed value of \$1,893,140,610	Amount	Margin
For school purposes	\$ 33,416,824	10.00%	\$ 189,314,061	\$ 155,897,237
For storm or sanitary sewer purposes	1,082,000	7.50%	141,985,546	140,903,546
For municipal airport, water, and special district purposes	-	3.00%	56,794,218	56,794,218
For all other purposes	<u>24,566,176</u>	7.50%	<u>141,985,546</u>	<u>117,419,370</u>
Total	<u>\$ 59,065,000</u>		<u>\$ 530,079,371</u>	<u>\$ 471,014,371</u>



Roberts & Greene, PLLC

INDEPENDENT AUDITOR'S COMMUNICATION OF SIGNIFICANT DEFICIENCIES

To the Honorable Mayor and Members of the City Council
City of Westbrook
Westbrook, Maine

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Westbrook as of and for the year ended June 30, 2013, in accordance with auditing standards generally accepted in the United States of America, we considered the City's internal control over financial reporting (internal control) as a basis for designing our auditing procedures 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 City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all such deficiencies have been identified. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a significant deficiency.

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 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. We did not identify any deficiencies in internal control that we consider 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. We consider the following deficiency in the City of Westbrook's internal control to be a significant deficiency:

Recording and Maintaining Capital Asset Records

Additional time was spent auditing the City's capital asset balance. Records were incomplete and support was not available for all items. The City should implement stronger internal controls over recording and maintaining capital asset ledgers. Also, generally accepted accounting principles require that capital assets be depreciated annually, and there should not be any fully depreciated assets still in service.

We recommend that the City utilize its capital asset software capabilities to record and maintain additions and disposals of capital assets. On an annual basis, the City should provide its department heads with complete listings of capital assets for their departments, and require the department heads to review and update the listings for disposed assets, new additions, and whether estimated useful lives are still appropriate in accordance with generally accepted accounting principles. The City's Finance Department should maintain a master capital asset list, and reconcile it to the departmental reports.

Management's response: Extensive work was done by a consultant to recreate the capital asset activity from FY2009 through FY2013. The city did not review additions or deletions prior to that time period as we were relying on our past financial audits. Going forward, the administration will meet with each department to ensure they are keeping accurate records of all additions and deletions and will ensure that we create a policy and procedure that will serve as a guideline going forward. Our current accounting software does not provide us with a viable option for electronic record keeping at this time and we will continue to assess our software needs to help us meet this requirement.

CITY OF WESTBROOK
INDEPENDENT AUDITOR'S COMMUNICATION OF SIGNIFICANT DEFICIENCIES

We also identified the following other matter that we wish to communicate:

Fund Reporting-Repeat Finding

The City currently maintains 141 separate funds, many of which had little or no activity during the year. An excessive number of funds creates increased opportunities for errors or fraud.

We recommend that the City work to limit the number of funds to as few as possible. Items such as police and fire grants, library activity, recreation programs, escrows and other agency funds could be combined within funds, with individual accounts used to track the various types of revenues and expenditures.

Management's Response: The city put a great deal of work into reducing the number of capital project funds during the year and moving forward, has created a capital project fund by department where multiple projects can be recorded. Again, our software does not have the tracking capability to record available balances on a project basis, which is why a separate fund is maintained for each grant, project, or reserve. We hope that moving to a financial software with a grant and project accounting module will allow us to consolidate funds which will result in more efficient reporting.

This communication is intended solely for the information and use of the mayor and city council, management, and others within the organization, and is not intended to be, and should not be, used by anyone other than these specified parties.

February 5, 2014

Roberts & Huron, PLLC