

**COUNTY OF SAGADAHOC, MAINE**  
**Comprehensive Annual Financial Report**  
**Year ended June 30, 2009**

**Prepared by:**  
**County of Sagadahoc**  
**Department of Administration**

**COUNTY OF SAGadahoc, MAINE**  
**Comprehensive Annual Financial Report**  
**For the Year Ended June 30, 2009**

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**Comprehensive Annual Financial Report**  
**For the Year Ended June 30, 2009**

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# **INTRODUCTORY SECTION**

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**COUNTY OF SAGadahoc, MAINE**  
**LIST OF ELECTED AND APPOINTED OFFICIALS**

**June 30, 2009**

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Elected Officials

Commissioner, District 1	Alan J. Houston, Chair
Commissioner, District 2	Carol Grose
Commissioner, District 3	Lawrence M. Dawson, Vice Chair
Treasurer	Karen Hamilton
Sheriff	Joel Merry
District Attorney	Geoffrey Rushlau
Registrar of Deeds	Barbara J. Trott
Probate Judge	Hon. John W. Voorhees
Register of Probate	Joan M. Atwood

Appointed Officials

County Administrator	Pamela S. Corrigan
Finance Director	Fay Labbe
Communications Director	Phyllis Gamache-Jensen
Emergency Management Director	Misty D. Green

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## **FINANCIAL SECTION**



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Certified Public Accountants and Business Consultants

## Independent Auditor's Report

Board of Commissioners  
County of Sagadahoc, Maine:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the County of Sagadahoc, Maine as of and for the year ended June 30, 2009, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County of Sagadahoc, Maine's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

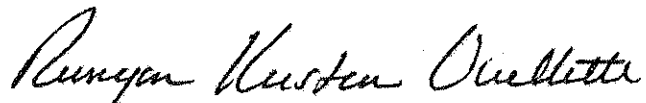
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the County of Sagadahoc, Maine, as of June 30, 2009, and respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 20, 2009 on our consideration of the County of Sagadahoc, Maine's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

The Management's Discussion and Analysis, as listed in the table of contents, is not a required part of the basic financial statements but is supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Board of Commissioners  
County of Sagadahoc, Maine

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Sagadahoc, Maine's basic financial statements. The combining and individual fund exhibits listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and in our opinion, is fairly presented, in all material respects, in relation to the basic financial statements taken as a whole.

A handwritten signature in cursive script, reading "Rungen Keaton Ouellette".

November 20, 2009  
South Portland, Maine

# County of Sagadahoc

## Management's Discussion and Analysis

### Fiscal Year Ended June 30, 2009

By preparing a Management's Discussion and Analysis (MD&A), the County offers the readers of these financial statements a narrative overview of the financial activities of the County for the fiscal year that ended on June 30, 2009. County management hopes the explanations below will provide an opportunity for readers to gain a greater understanding of Sagadahoc County's finances as a whole.

The annual audit contains financial statements for all activities performed by Sagadahoc County plus any other funds for which the County has a fiduciary responsibility. Sagadahoc County functions include: The offices of Administration and Finance, Register of Probate, Register of Deeds, Sheriff's Office (Patrol, Criminal Investigations, Transport and Civil), Regional Communications Center, Emergency Management Agency, and the District Attorney's office.

#### Financial Highlights

- The assets of the County of Sagadahoc exceeded its liabilities at the close of the most recent fiscal year by \$5,545,259 (*net assets*). Of this amount, \$3,067,751 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The County's total net assets increased by \$387,095 largely due to the fact that the statewide jail consolidation statute established the County's share of the Two Bridges Regional Jail operating expenses as 43%, as opposed to the 51% that was originally budgeted.
- As of the close of the current fiscal year, the County of Sagadahoc's governmental funds reported combined ending fund balances of \$3,273,806, an increase of \$347,774 in comparison with the prior year. Approximately 71% of this total amount, \$2,335,604, is available for spending at the government's discretion (*unreserved, undesignated fund balance*).
- At the end of the current fiscal year, unreserved, undesignated fund balance for the general fund was \$2,335,604, or 33.76%, of total general fund expenditures.

#### Overview of the Financial Statements

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

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

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

The *statement of activities* presents information showing how the County's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements include only the County of Sagadahoc, known as the *primary government*.

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

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

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

The County of Sagadahoc maintains twenty-three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and the capital improvement fund, both of which are considered to be a major funds. Data from the other twenty-one governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The County adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the County of Sagadahoc's own programs. The County's fiduciary fund is an agency fund consisting of funds held by the District Attorney, the Registrar of Probate and the Register of Deeds. The accounting used for fiduciary funds is much like the government-wide financial statements.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements

**Other information.** The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the financial statements.

### **Government-wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County of Sagadahoc, assets exceeded liabilities by \$5,545,259 at the close of the most recent fiscal year.

By far, the largest portion of the County's net assets, \$2,477,508 or 45%, reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The remaining balance of unrestricted net assets, \$3,067,751 or 55%, may be used to meet the government's ongoing obligations.

At the end of the current fiscal year, the County is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental activities. The County's net assets increased by \$387,095 during the fiscal year. The majority of this change is an increase in unrestricted net assets.

**County of Sagadahoc's Net Assets**  
Governmental Activities

	<u>2009</u>	<u>2008</u>
Current and other assets	\$ 3,487,257	\$ 3,309,214
Capital assets	<u>2,699,293</u>	<u>2,470,534</u>
Total assets	<u>\$ 6,186,550</u>	<u>\$ 5,779,748</u>
Long-term liabilities outstanding	\$ 427,840	\$ 217,315
Other liabilities	<u>213,451</u>	<u>381,260</u>
Total liabilities	<u>\$ 641,291</u>	<u>\$ 598,575</u>
Net assets		
Invested in capital assets, net of related debt	\$ 2,477,508	\$ 2,470,534
Unrestricted	<u>3,067,751</u>	<u>2,710,639</u>
Total net assets	<u>\$ 5,545,259</u>	<u>\$ 5,181,173</u>

**County of Sagadahoc's Change in Net Assets**  
Governmental Activities

	<u>2009</u>	<u>2008</u>
Revenues		
Program revenues		
Charges for services	\$ 477,189	\$ 500,337
Operating grants and contributions	506,901	602,234
Capital grants and contributions	-	-
General revenues		
Property taxes	7,232,232	7,232,233
Jail returned surplus	265,860	246,124
Unrestricted interest income	67,326	172,913
Other	<u>55,218</u>	<u>-</u>
Total revenues	<u>\$ 8,604,726</u>	<u>\$ 8,753,841</u>

	<u>2009</u>	<u>2008</u>
Expenses		
General government	\$ 2,031,993	\$ 1,875,286
Public safety	5,886,499	6,114,336
Capital outlay	-	15,476
Miscellaneous	284,176	254,258
Interest on long-term debt	<u>14,963</u>	<u>6,555</u>
Total expenses	<u>\$ 8,217,631</u>	<u>\$ 8,265,911</u>
Increase in net assets	387,095	487,930
Net assets beginning of year, as restated	<u>5,158,164</u>	<u>4,693,243</u>
Net assets end of year	<u>\$ 5,545,259</u>	<u>\$ 5,181,173</u>

During the fiscal year ended June 30, 2009, the fund balances of the governmental funds increased by \$347,774 from \$2,926,032 at June 30, 2008 to \$3,273,805 at June 30, 2009.

Total Revenues	\$8,604,726
Total Expenditures	<u>8,506,952</u>
Excess	<u>\$ 97,774</u>

Total County revenue, for the fiscal year ended June 30, 2009, was \$8,604,726. The revenue was derived from the following sources:

County tax assessments	\$7,232,232
Fees	353,189
Grants and intergovernmental revenue	681,713
Charges for services	95,622
Investment income	78,653
Other	<u>163,317</u>
Total Revenue	<u>\$8,604,726</u>

County revenue of \$8,604,726 represents a decrease of \$149,115 over the prior fiscal year. Revenue from county tax assessments to municipalities stayed the same as prior year.

Total County expenditures, for the fiscal year ended June 30, 2009, were \$8,506,952 representing a decrease of \$90,818 from the prior fiscal year ended June 30, 2008. Minor increases and decreases in other expenditures make up the balance of the decrease.

### **Financial Analysis of the Government's Funds**

As noted earlier, the County of Sagadahoc uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$3,273,806. Approximately 92% of this total (\$3,011,769) constitutes unreserved fund balance. The remainder of fund balance, \$262,037, is reserved to indicate that it is not available for new spending because it has been committed for emergencies.

The governmental fund equity at June 30, 2009, consists of the following;

Assets:	
Cash	\$ 3,464,513
Receivables	22,744
Other assets	<u>546,236</u>
Total assets	4,033,493
Liabilities:	
Accounts payable	195,679
Other liabilities	<u>564,008</u>
Total liabilities	759,687
Fund equity at June 30, 2009	<u>\$ 3,273,806</u>

General Fund. The general fund is the chief operating fund of the County of Sagadahoc. At the end of the current fiscal year, unreserved fund balance of the general fund was \$2,335,604, while total fund balance reached \$2,597,641. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 30.35% of total general fund expenditures, while total fund balance represents 33.76% of that same amount.

Not all of the County's net assets are unrestricted and available for future use. State statutes require that the County set aside assets in a contingency account in an amount not to exceed 4% of the annual budget. The contingency fund may be used at the discretion of the County Commissioners for emergency purposes. State statutes also allow the Commissioners to appropriate net assets for capital expenditures and other expenditures to be made in future years. Balances budgeted in the general fund for special revenues, which are primarily grants and restricted reserves, and balances budgeted for capital projects, which are used for capital expenditures, have been transferred from the general fund into their appropriate funds. A portion of these funds are restricted while the remaining net assets are unrestricted and available for use at the discretion of the County Commissioners.

The general fund fund balance of \$2,597,641 at June 30, 2009, consists of the following:

Reserved for contingency	\$ 262,037
Unrestricted	<u>2,335,604</u>
Total fund balances	<u>\$2,597,641</u>

Other Governmental Funds. Other Governmental Funds consist of special revenues provided to the County from outside source(s) to be used for a specific purpose such as records preservation or victim advocate activities. The fund balance for Other Government Funds totals \$153,912 which is an increase of \$23,102, or 17% from the previous year. Detailed information on these funds can be found following the notes to the financial statements.

Capital Projects Fund. In previous audits funds for certain capital projects were included in Other Governmental Funds, however, the current audit reflects all capital funds in the Capital Projects Fund. Capital Projects Funds consist of funds appropriated for the purpose of purchasing, replacing, renovating or conducting major repairs on buildings or equipment. The fund balance for the Capital Projects Fund totals \$522,253 which is a decrease of \$155,325, or 23% over the end of year total for the previous year.



## **Capital Asset and Debt Administration**

**Capital Assets.** The County of Sagadahoc's investment in capital assets for its governmental activities as of June 30, 2009 amounts to \$2,699,293 (net of accumulated depreciation). This investment in capital assets includes land, improvements, buildings, machinery and equipment and vehicles. The total increase in the County's investment in capital assets for the current fiscal year was \$249,846 or 10% of total capital assets.

### **Debt.**

In early 2009, the County used lease financing to acquire a building adjacent to the county courthouse to be used as office space. The County entered into a lease purchase agreement in the amount of \$250,000 with Gorham Leasing for a term of five years at 4.58% interest. Lease payments totaling \$28,674 were made in the current year, bringing the balance due to \$221,785. Beginning in budget year 2009-2010, the lease payments (principal and interest) will be \$49,243 per budget year.

In 2001, the County partnered with Lincoln County to form a multi-county jail authority. The Counties entered into a cost sharing agreement, and Sagadahoc County will be obligated to share operating and capital costs. The Lincoln and Sagadahoc Multicounty Jail Authority sold revenue bonds totaling \$24,600,000 in June 2005. The County of Sagadahoc guaranteed the repayment of one half of these bonds or \$12,300,000. This is a twenty year note at an interest rate of 4.13%. The County's remaining balance is \$10,855,000.

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

According to State statute, the County Commissioners shall use any unencumbered surplus funds in excess of 20% of the amount to be raised by taxation in the following fiscal year to reduce the tax levy in that year. During the current fiscal year, fund balances in the general fund increased by \$479,997 to produce an unreserved, undesignated fund balance of \$2,335,604. Twenty percent of the estimated tax of \$7,232,232 is \$1,446,446. The Commissioners voted to apply \$550,510 from surplus toward the budget for fiscal year 2010 which was based on preliminary estimates of undesignated fund balance.

### **Requests for Information**

This financial report is designed to provide a general overview of the County of Sagadahoc's financial condition for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Sagadahoc County Finance Director, 752 High Street, Bath, Maine, 04530.

## **BASIC FINANCIAL STATEMENTS**

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**COUNTY OF SAGadahoc, MAINE**  
**Statement of Net Assets**  
**June 30, 2009**

	<u>2009</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 3,464,513
Receivables:	
Accounts	22,744
Capital assets not being depreciated	62,198
Capital assets (net of accumulated depreciation)	<u>2,637,095</u>
Total assets	<u>6,186,550</u>
<b>LIABILITIES</b>	
Accounts payable and other current liabilities	213,451
Noncurrent liabilities:	
Due within one year	40,399
Due after one year	<u>387,441</u>
Total liabilities	<u>641,291</u>
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	2,477,508
Unrestricted	<u>3,067,751</u>
Total net assets	<u>\$ 5,545,259</u>

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

**COUNTY OF SAGADAHOC, MAINE**  
**Statement of Activities**  
**For the Year Ended June 30, 2009**

		Program Revenues			Net (Expense) Revenue and Changes in Net Assets	
Functions/Programs		Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government
						Governmental Activities
						Total
<b>Primary government:</b>						
Governmental activities:						
General government		\$ 2,031,993	\$ 381,567	\$ 31,979	\$ -	\$ (1,618,447)
Public safety		5,886,499	95,622	474,922	-	(5,315,955)
Miscellaneous		284,176	-	-	-	(284,176)
Interest on long-term debt		14,963	-	-	-	(14,963)
Total governmental activities		8,217,631	477,189	506,901	-	(7,233,541)
Total primary government		8,217,631	477,189	506,901	-	(7,233,541)
General revenues:						
Tax assessments						7,232,232
Jail returned surplus from Multi County Jail						265,860
Miscellaneous						55,218
Unrestricted investment earnings						67,326
Transfers						-
Total general revenues						7,620,636
Changes in net assets						387,095
Net assets - beginning						5,158,164
Net assets - ending						5,545,259

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

**COUNTY OF SAGadahoc, MAINE**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2009**

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 3,332,802	\$ -	\$ 131,711	\$ 3,464,513
Receivables (net of allowance for uncollectibles):				
Accounts and prepaid items	22,576	-	168	22,744
Due from other funds	-	522,253	23,983	546,236
Total assets	<u>\$ 3,355,378</u>	<u>\$ 522,253</u>	<u>\$ 155,862</u>	<u>\$ 4,033,493</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 195,679	\$ -	\$ -	\$ 195,679
Accrued wages and benefits payable	17,772	-	-	17,772
Due to other funds	544,286	-	1,950	546,236
Total liabilities	<u>757,737</u>	<u>-</u>	<u>1,950</u>	<u>759,687</u>
Fund balances:				
Reserved:				
Contingency	262,037	-	-	262,037
Unreserved:				
Undesignated reported in:				
General fund	2,335,604	-	-	2,335,604
Special revenue funds	-	-	153,912	153,912
Capital projects funds	-	522,253	-	522,253
Total fund balances	<u>2,597,641</u>	<u>522,253</u>	<u>153,912</u>	<u>3,273,806</u>
Total liabilities and fund balances	<u>\$ 3,355,378</u>	<u>\$ 522,253</u>	<u>\$ 155,862</u>	

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

Capital assets used in governmental activities are not financial resources and, therefore are not reported in the funds.	2,699,293
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(427,840)
Net assets of governmental activities	<u>\$ 5,545,259</u>

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

**COUNTY OF SAGADAHOC**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2009**

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>				
Taxes	\$ 7,232,232	\$ -	\$ -	\$ 7,232,232
Fees	353,189	-	-	353,189
Intergovernmental	493,861	-	187,852	681,713
Charges for services	95,622	-	-	95,622
Interest	67,326	11,327	-	78,653
Other	52,061	3,830	107,426	163,317
Total revenues	<u>8,294,291</u>	<u>15,157</u>	<u>295,278</u>	<u>8,604,726</u>
<b>EXPENDITURES</b>				
Current:				
General government	1,858,910	-	-	1,858,910
Public safety	4,720,489	-	-	4,720,489
Miscellaneous	-	-	284,176	284,176
Jail Authority - Debt service:				
Principal	615,000	-	-	615,000
Interest	457,963	-	-	457,963
Capital lease payments	43,178	-	-	43,178
Capital outlay	-	527,236	-	527,236
Total expenditures	<u>7,695,540</u>	<u>527,236</u>	<u>284,176</u>	<u>8,506,952</u>
Excess (deficiency) of revenues over (under) expenditures	<u>598,751</u>	<u>(512,079)</u>	<u>11,102</u>	<u>97,774</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from capital leases	-	250,000	-	250,000
Transfers from other funds	-	106,754	12,000	118,754
Transfers to other funds	(118,754)	-	-	(118,754)
Total other financing sources and (uses)	<u>(118,754)</u>	<u>356,754</u>	<u>12,000</u>	<u>250,000</u>
Net changes in fund balances	479,997	(155,325)	23,102	347,774
Fund balances, beginning of year	2,117,644	677,578	130,810	2,926,032
Fund balances, end of year	<u>\$ 2,597,641</u>	<u>\$ 522,253</u>	<u>\$ 153,912</u>	<u>\$ 3,273,806</u>

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

**COUNTY OF SAGadahoc, MAINE**  
**Reconciliation of the Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**For the Year Ended June 30, 2009**

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Net change in fund balances - total governmental funds	\$	347,774
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, 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 capital outlays (\$536,243) exceeded depreciation expense (\$264,641) and losses on disposals (\$21,756).		249,846
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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 assets. Also, interest is expended when paid in the governmental funds, but accrued in the statement of activities. This is the amount of the new lease proceeds (\$250,000) net of principal paid on capital leases (\$28,215).		(221,785)
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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.		11,260
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Change in net assets of governmental activities	\$	387,095
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*The notes to the financial statements are an integral part of this statement.*



**COUNTY OF SAGADAHOC, MAINE**  
**Statement of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget and Actual**  
**General Fund**  
**For the Year Ended June 30, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES</b>				
Taxes:				
Tax assessments	\$ 7,232,232	\$ 7,232,232	\$ 7,232,232	\$ -
Total taxes	<u>7,232,232</u>	<u>7,232,232</u>	<u>7,232,232</u>	<u>-</u>
Fees:				
District attorney	700	700	4,478	3,778
Register of deeds	277,750	277,750	291,228	13,478
Register of probate	61,000	61,000	57,483	(3,517)
Total fees	<u>339,450</u>	<u>339,450</u>	<u>353,189</u>	<u>13,739</u>
Intergovernmental:				
Federal:				
Emergency management agency	36,000	36,000	33,155	(2,845)
State:				
Community corrections	60,930	60,930	132,376	71,446
Community corrections programs	14,842	14,842	30,491	15,649
Court fine surcharge	20,000	20,000	29,529	9,529
Witness fees	1,300	1,300	2,450	1,150
Lincoln & Sagadahoc Multi-county Jail Authority	-	-	265,860	265,860
Total intergovernmental	<u>133,072</u>	<u>133,072</u>	<u>493,861</u>	<u>360,789</u>
Charges for services:				
Civil process	59,000	59,000	74,970	15,970
Sheriff's department	1,000	1,000	20,652	19,652
Total charges for services	<u>60,000</u>	<u>60,000</u>	<u>95,622</u>	<u>35,622</u>
Interest earned	108,400	108,400	67,326	(41,074)
Other revenues:				
Alternative programs				
OUI program	37,500	37,500	10,675	(26,825)
Reimbursements and refunds				
Fuel tax refund	8,000	8,000	8,202	202
Insurance refunds	-	-	2,671	2,671
Miscellaneous	50	50	30,513	30,463
Total other revenues	<u>45,550</u>	<u>45,550</u>	<u>52,061</u>	<u>6,511</u>
Total revenues	<u>\$ 7,918,704</u>	<u>\$ 7,918,704</u>	<u>\$ 8,294,291</u>	<u>\$ 375,587</u>

**COUNTY OF SAGadahoc, MAINE**  
**Statement of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget and Actual**  
**General Fund**  
**For the Year Ended June 30, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Superior Court	\$ 5,075	\$ 5,075	\$ 4,837	\$ 238
District attorney	163,585	163,585	161,798	1,787
Administration	417,997	417,997	336,851	81,146
Buildings	182,218	182,218	183,164	(946)
Register of deeds	155,490	155,490	128,841	26,649
Register of probate	136,534	136,534	136,479	55
Employee benefits	836,982	836,982	793,012	43,970
Insurance	89,375	89,375	76,252	13,123
Program grants	-	-	37,676	(37,676)
Total general government	<u>1,987,256</u>	<u>1,987,256</u>	<u>1,858,910</u>	<u>128,346</u>
Public Safety:				
Emergency management agency	74,153	74,153	72,764	1,389
Jail (includes transport)	2,773,435	2,773,435	2,330,739	442,696
Corrections alternatives	230,774	230,774	219,246	11,528
Sheriff's department	1,324,692	1,324,692	1,247,813	76,879
Civil process	80,677	80,677	84,341	(3,664)
Communications	735,153	735,153	765,586	(30,433)
Total public safety	<u>5,218,884</u>	<u>5,218,884</u>	<u>4,720,489</u>	<u>498,395</u>
Jail Authority - Debt Service:				
Principal	615,000	615,000	615,000	-
Interest	457,963	457,963	457,963	-
Capital lease payments	-	-	43,178	(43,178)
Total debt service	<u>1,072,963</u>	<u>1,072,963</u>	<u>1,116,141</u>	<u>(43,178)</u>
Total expenditures	<u>8,279,103</u>	<u>8,279,103</u>	<u>7,695,540</u>	<u>583,563</u>
Excess (deficiency) of revenues over (under) expenditure	(360,399)	(360,399)	598,751	959,150
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers to other funds - special revenue	(12,000)	(12,000)	(12,000)	-
Transfers to other funds - capital projects	(106,754)	(106,754)	(106,754)	-
Total other financing sources and (uses)	<u>(118,754)</u>	<u>(118,754)</u>	<u>(118,754)</u>	<u>-</u>
Net changes in fund balances	<u>\$ (479,153)</u>	<u>\$ (479,153)</u>	<u>\$ 479,997</u>	<u>\$ 959,150</u>
Fund balance, beginning of year			2,117,644	
Fund balance, end of year			<u>\$ 2,597,641</u>	

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

**COUNTY OF SAGADAHOC, MAINE**  
**Statement of Fiduciary Net Assets**  
**Agency Funds**  
**June 30, 2009**

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	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 27,118
Total assets	<u>\$ 27,118</u>
<b>LIABILITIES</b>	
Accounts payable	\$ 2,996
Due to other governments	<u>24,122</u>
Total liabilities	<u>\$ 27,118</u>

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

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****A. Reporting Entity**

The County of Sagadahoc (County) established on April 4, 1854, is located in the coastal region of Maine and covers an area of 250 square miles with an approximate population of 34,000. The County was organized under the Board of Commissioners form of government and provides the following services to its citizens: law enforcement, judicial, registers of deeds and probate, emergency management and administration.

In defining the reporting entity for financial reporting purposes, management has considered potential component units by applying criteria set forth in Statement 14 of the Governmental Accounting Standards Board, "The Financial Reporting Entity", as amended by Statement 39 of the Governmental Accounting Standards Board, "Determining Whether Certain Organizations are Component Units". It has been determined that the County has no component units.

**B. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the County (the primary government). For the most part, the effect of interfund activity has been removed from these statements.

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

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

**C. Measurement Focus, Basis of Accounting and Basis of Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as is the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Tax assessments are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period and soon enough thereafter to pay liabilities of the current period. The County considers all revenues available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments are recorded only when payment is due.

Those revenues susceptible to accrual include tax assessments, certain charges for services and expenditure driven grants. Other receipts become measurable and available when cash is received by the government and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The County reports the following major governmental funds:

The *general fund* is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *building maintenance fund* and *capital projects fund* from 2008 have been merged into the capital projects fund which accounts for projects that restore and renovate the courthouse and major capital projects not being financed by other funds.

Additionally, the government reports the following fund types:

The *special revenue funds* account for revenue sources that are legally restricted to expenditure for specific purposes (not including permanent major capital projects).

*Fiduciary funds* account for assets held by the government in a trustee capacity or as an agent on behalf of others. As such, fiduciary funds are not reported in the government-wide statements. The County's fiduciary funds include the following:

*Agency funds* are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the government holds for others in an agency capacity. The departments of District Attorney, Registry of Deeds and Registry of Probate all maintain agency funds.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. General revenues include all taxes.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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

#### **D. Assets, Liabilities and Net Assets**

##### **1. Deposits and Investments**

The County has defined cash and cash equivalents to include cash on hand, demand deposits, and cash with fiscal agents. Statutes authorize the treasurer, as directed by the County Commissioners, to invest all funds in accordance with M.R.S.A. Title 30-A section 171.

Investments that have a remaining maturity at time of purchase of one year or less are reported at amortized cost. All remaining investments are reported at fair value.

## 2. Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "interfund receivables/payables". All other outstanding balances between funds are reported as "due to/from other funds".

Receivables are shown net of allowances for uncollectibles as necessary.

## 3. Capital Assets

Capital assets, which include property, plant, and equipment are reported in the governmental column in the government-wide financial statements. The County does not have any infrastructure assets. Capital assets, other than infrastructure, are defined by the County as assets with an initial, individual cost of \$5,000 or more with an estimated useful life of greater than one year. Such assets are recorded at historical cost or estimated historical costs if purchased or constructed. Donated capital assets are reported at estimated fair value as of the date of donation.

Additions, improvements and other capital outlays that significantly extend the useful lives of assets are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Land Improvements	20 Years
Buildings	40 Years
Vehicles and Equipment	5-10 Years

## 4. Compensated Absences

Full-time employees accrue up to two weeks of vacation per year of employment; three weeks per year after seven years; and four weeks per year after thirteen years.

All employees covered by a collective bargaining agreement having less than fifteen years of continuous service may accumulate a total of 20 days vacation leave and those full-time employees having 15 or more years of continuous service may accumulate 30 days of vacation leave. Employees may not elect to receive cash payments in lieu of unused leave. Generally, unused accrued prorated vacation leave is paid to employees at the time of separation.

Employees covered by the collective bargaining agreement earn one day of sick leave per month up to a maximum of 120 days. Generally, upon separation, the equivalent of one-half accumulated unused sick leave is paid at one-half of the employee's rate of pay. Employees not covered by the collective bargaining agreement earn one day sick leave per month up to a maximum of 90 days. Upon separation in good standing, the equivalent of 20% of the accumulated unused sick leave shall be paid to an employee.

Employees covered by the collective bargaining agreement that have attained 40 hours of work within a work period, may apply for compensatory time for additional hours worked up to 10 hours in any one work period. The employee may use the compensatory time at the discretion of the Department Head. Employees not covered by a collective bargaining agreement may accumulate a maximum of forty hours of compensatory time per year. Any unused time will be paid to employees at the time of separation.

All full time employees, whether in a collective bargaining agreement or not, shall be granted three personal days per fiscal year for the purpose of managing personal business which cannot be taken care of except during regular normal working hours.

A liability for accumulated leave is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. All accumulated leave is accrued when incurred in the government-wide financial statements.

## 5. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net assets.

In the fund financial statements, the face amount of debt issued is reported as other financing sources.

## 6. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

## 7. Use of Estimates

The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

# II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

## A. General Fund Budget

An annual budget of the general fund is legally adopted by the Commissioners. The guidelines for adopting the budget are laid out in Title 30-A M.R.S.A., section 701 through section 706-A. The County Commissioners submit a budget estimate to an advisory committee composed of six municipal officers and three representatives of the general public from the County by March for the coming fiscal year. The advisory committee reviews the budget estimate and makes recommendations to the Commissioners by May 15. The County Commissioners then enact the budget by June 15. Required public hearings on the proposed 2009 budget were held in May and June 2008. The County Commissioners approved the budget on June 13, 2008. Sagadahoc County by law assesses taxes to the ten municipalities in its jurisdiction to be apportioned based on the last state valuation. The 2009 tax commitment of \$7,232,232 was assessed in August, 2008. Assessments were due September 1, 2008 with interest at 12% payable on November 1, 2008.

There is no difference between the budgetary basis and generally accepted accounting principles (GAAP). The legal level of budgetary control is that level of expenditure authority that may not be exceeded or reassigned without the approval of the County Commissioners. Title 30-A, section 922 states that whenever any specific appropriation of a department or agency of county government is insufficient to pay the required expenditures for the statutory purposes for which the appropriation was made, the county commissioners may transfer an amount from any other specific line appropriation for the same department or agency to meet the expenditure, upon the written request of the department or agency.

## B. Excess of Expenditures over Appropriations

For the year ended June 30, 2009, expenditures exceeded appropriations in the following:

Building	\$ 946
Program grants	37,676
Civil process	3,664
Communications	30,433
Capital lease payments	43,178

**C. Fund Balances**

Statutory provisions allow unexpended balances of capital expenditure appropriations to be carried forward to the subsequent year. In addition, the County Commissioners may vote to carry forward unexpended balances for other restricted uses.

**Reserved for Emergencies:**

State statutes provide for the establishment of a contingency account, in an amount not to exceed 4% of the annual budget, to be used at the discretion of the County Commissioners for emergency purposes. At the end of the fiscal year, an amount sufficient to restore the account may be transferred from the General Fund's undesignated fund balance. At June 30, 2009, the contingent account balance was \$262,037.

**Unreserved, Undesignated:**

State law provides that remaining unencumbered surplus funds in excess of 20% of the amount to be raised by taxation shall be used to reduce the tax levy. The County's unreserved, undesignated fund balance at June 30, 2009 was \$2,335,604. Of this balance, \$460,956 was used to reduce the 2009-10 tax levy leaving a balance of \$1,874,648.

**III. DETAILED NOTES ON ALL FUNDS****A. Cash and Cash Equivalents**

*Custodial Credit Risk.* Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. As of June 30, 2009, the County reported deposits of \$3,491,631 with bank balances of \$3,424,828. The County's deposit policy for custodial credit risk calls for F.D.I.C. insured bank accounts. None of the County's total bank balance was exposed to custodial credit risk.

*Interest Rate Risk.* The County has a policy on interest rate risk. This policy simply states that the County's investment portfolio will remain sufficiently liquid to meet all operating requirements.

*Credit risk.* Maine statutes authorize the County to invest in certain bonds, notes, certificates of indebtedness, and repurchase agreements secured by obligations of the United States which mature within one year from the date of investment. The County's investment policy for credit risk calls for collateralized investments.

*Concentration of credit risk.* The County's policy on concentration of credit risk simply states that the Finance Director shall use techniques to diversify the portfolio.

Deposits have been reported as cash or cash equivalents as follows:

Governmental activities	\$ 3,464,513
Agency funds	<u>27,118</u>
	\$ 3,491,631



**B. Capital Assets**

Capital asset activity for the year ended June 30, 2009 was as follows:

	Balance 07/01/08	Additions	Deletions	Balance 06/30/09
Capital assets not being depreciated:				
Land	\$ 62,198	-	-	62,198
Capital assets being depreciated:				
Building	2,479,134	385,513	-	2,864,650
Improvements other than buildings	39,000	-	-	39,000
Vehicles	680,076	57,766	(62,218)	675,624
Machinery and equipment	<u>1,166,951</u>	<u>92,961</u>	<u>(16,554)</u>	<u>1,243,358</u>
Total capital assets being depreciated	4,365,161	536,243	(78,772)	4,822,632
Less accumulated depreciation for:				
Building	(1,010,696)	(69,378)	-	(1,080,074)
Improvements other than buildings	(11,863)	(1,950)	-	(13,813)
Vehicles	(370,897)	(72,554)	54,739	(388,712)
Machinery and equipment	<u>(584,456)</u>	<u>(120,759)</u>	<u>2,277</u>	<u>(702,938)</u>
Total accumulated depreciation	(1,977,912)	(264,641)	57,016	(2,185,537)
Total capital assets being depreciated, net	<u>2,387,249</u>	<u>271,602</u>	<u>(21,756)</u>	<u>2,637,095</u>
Total capital assets, net	<u>\$ 2,449,447</u>	<u>271,602</u>	<u>(21,756)</u>	<u>2,699,293</u>

Depreciation expense was charged to functions of the primary government as follows:

General government	\$ 155,245
Public safety	<u>109,396</u>
Total depreciation expense	\$ 264,641

**C. Interfund Receivables, Payables, and Transfers**

The composition of interfund balances as of June 30, 2009, is as follows:

Due to/from other funds:

<u>Receivable Fund</u>		<u>Payable Fund</u>	
General fund	\$ -	General fund	\$ 544,286
Capital projects fund	522,253	Capital projects fund	-
Other governmental funds	<u>23,983</u>	Other governmental funds	<u>1,950</u>
	\$ 546,236		\$ 546,236

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Interfund transfers in (out):

	General Fund	Capital Projects Fund	Other Governmental Funds
General fund	\$(118,754)	\$ 106,754	\$ 12,000
Total transfers	\$(118,754)	\$ 106,754	\$ 12,000

The \$118,754 transferred from the general fund to other governmental funds was amounts budgeted for various special revenue and capital projects.

#### D. Operating Lease

The County has entered into a leasing agreement with the City of Bath to rent a portion of the basement at the old Bath Hospital for use by the Sheriff's Department for storage. The lease term is for three years, commencing on February 1, 2008. Rental expense for the year ended June 30, 2009 was \$250.

#### E. Long-term Debt

Changes in long-term liabilities

The following is a summary of long-term liability transactions of the County for the year ended June 30, 2009:

Issuer	Balance 07/01/08	Additions	Deductions	Balance 06/30/09	Due Within One Year
Lease purchase - Administration building	\$ -	250,000	28,215	221,785	40,399
Compensated absences	<u>217,315</u>	<u>-</u>	<u>11,260</u>	<u>206,055</u>	<u>-</u>
Totals	<u>\$ 217,315</u>	<u>250,000</u>	<u>39,475</u>	<u>427,840</u>	<u>40,399</u>

The following is a schedule of the future minimum lease payments under the capital leases, and the present value of the net minimum lease payments at June 30, 2009:

Fiscal year ending  
June 30,

2010	\$ 49,243
2011	49,243
2012	49,243
2013	49,243
2014	49,243
Total value of minimum lease payments	246,215
Less amounts representing interest	24,430
Present value of future minimum lease payments	<u>\$ 221,785</u>

Assets in the amount of \$250,000 have been capitalized under lease agreements and are recorded as equipment in the statement of net assets.

**IV. OTHER INFORMATION****A. Risk Management**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the County carries insurance. There have been no significant changes in insurance coverage during the past fiscal year. Settlement amounts have not exceeded insurance coverage for the current year or the three (3) prior years.

The County belongs to the Maine County Commissioners Association (MCCA) Risk Pool, for its property and liability exposures. Further information on the MCCA Risk Pool may be obtained by writing them at 11 Columbia Street, Augusta, ME 04330.

For workers compensation, the County participates in the Maine Municipal Association (MMA) Worker's Compensation Pool. Further information on the MMA Worker's Compensation Pool may be obtained by writing them at MMA Risk Management Services, 60 Community Drive, Augusta, ME 04330.

If the assets of either pool are at any time actuarially determined to be insufficient to enable either pool to discharge its legal liability and other obligations and to maintain actuarially sound reserves, either pool has the power to make up the deficiency by the levy of a prorated assessment upon its members for the amount needed to make up the deficiency. There have been no such deficiencies in the past three years. Management believes that no such deficiencies exist at June 30, 2009.

**B. Joint Venture**

The County of Sagadahoc entered into a joint venture with the County of Lincoln in 2001 to form the Lincoln and Sagadahoc Multicounty Jail Authority (Jail Authority). The purpose of the Jail Authority was to construct, equip, maintain and operate a regional jail. Two Bridges Regional Jail was built and began accepting prisoners in December 2006. The Board of Directors consists of six public members, one from each Commissioner's district, four County Commissioner members, two from each county and two Sheriff members, one from each County. The Authority is a separate reporting entity and has not been included within the financial statements of the County.

The Jail Authority issued revenue bonds in the amount of \$24,600,000 on June 1, 2005. Although the bonds are in the name of the Jail Authority, the Sagadahoc County Commissioners have passed a resolution authorizing the guarantee of half of the debt service, or \$12,300,000. Sagadahoc County's share for fiscal year ending June 30, 2009 was \$615,000 (principal) and \$457,963 (interest).

Sagadahoc and Lincoln Counties entered into a cost sharing agreement which obligates Sagadahoc County to share in the operating and capital costs of the jail. The share of operating costs is a percentage based upon prisoner population from each County. For the fiscal year that ended June 30, 2009, Sagadahoc County's share was 43% for a total share of \$2,015,481.

In addition to contributions from the two counties, Two Bridges Regional Jail receives revenues from the boarding of prisoners from outside the two supporting jurisdictions, from various grants and other miscellaneous revenue. Selected information for the year ended June 30, 2008, which is the latest date available, is as follows:

Total assets	\$ 25,240,001
Total liabilities	23,425,989
Net assets	1,814,012
Change in net assets	(565,844)

Complete financial statements may be attained from the Lincoln and Sagadahoc Multicounty Jail Authority, P.O. Box 249, Wiscasset, Maine 04578.

**C. Contingent Liabilities**

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

**D. Defined Benefit Pension Plans**

For its participating full time County employees and elected officials the County of Sagadahoc contributes to the Consolidated Plan for Participating Local Districts (CPPLD) a cost-sharing multiple employer, defined benefit pension plan administrated by the Maine Public Employees Retirement System (Maine PERS). Maine PERS is established and administered under Maine law. The CPPLD provides retirement and disability benefits, annual cost of living adjustments and death benefits to Plan members and beneficiaries. Maine PERS issues a publicly available financial report that includes financial statements and required supplementary information for the CPPLD. That report may be obtained by writing to the Maine Public Employees Retirement System, 46 State House Station, Augusta, Maine 04333-0046.

Plan members, other than those engaged in law enforcement, are required to contribute 6.5% of their annual covered salary and the County is required to contribute 2.8%. With the exception of one employee who meets the requirements for a different plan, law enforcement employees, contribute 8.0% and the County is required to contribute 5.3%. The law enforcement officer who falls under the special plan contributes 6.5% and the County contributes 4%. The contribution rates are determined actuarially.

The contribution requirements of the Plan members and the County are established by and may be amended by the State Legislature. The amounts the County was required to contribute to the CPPLD for the years ended June 30, 2009, 2008, 2007, and 2006 were \$81,065, \$72,333, \$79,990, and \$70,799, respectively, less amounts from credits as noted below. All required contributions were made by the County.

The CPPLD retirement programs provide defined retirement benefits based on a member's average final compensation. Vesting (i.e., eligibility for benefits upon reaching qualification) occurs upon the earning of five years of service credit or, in some cases, the earning of one year of service credit immediately preceding retirement at or after normal retirement age. Normal retirement age is 60. The monthly benefit of members eligible to retire before normal retirement age by virtue of having at least 25 years of service is reduced by a statutorily prescribed factor for each year of age that a member is below his/her normal retirement age at retirement. Law enforcement personnel have special provisions that allow them to retire at any age, without a reduction in benefits, after 20 or 25 years of service depending on their individual date of hire.

The County rejoined the Maine Public Employees Retirement System effective July 1, 2002. The County's contribution rates included a joining rate in addition to the payroll rate until June 30, 2007. As a participant of the CPPLD plan, the County is entitled to its initial unfunded unpoolled actuarial asset from its previous plan. At June 30, 2007 the remaining balance is \$336,241. The County has used credits of \$47,136, \$49,601, \$45,180, and \$67,887 for the years ended June 30, 2009, 2008, 2007 and 2006, respectively, to reduce contributions to the CPPLD.

**E. Deferred Compensation Plan**

The County offers two deferred compensation plans, created in accordance with Internal Revenue Code Section 457. The plan permits employees to defer a portion of their salary until future years. All assets and income of the Plan are held in trust for the exclusive benefit of the participants and their beneficiaries. The deferred compensation is not available to employees until their termination, retirement, death or unforeseeable emergency.

County employees hired prior to July 1, 2002 and not covered by a collective bargaining agreement may participate in a deferred compensation plan created in accordance with Internal Revenue Code Section 457.

Participants who are not covered by The Maine Public Employees Retirement System are eligible for a County contribution. The contribution is a percentage of compensation and is determined by the County budget. For the year ended June 30, 2009, the County contributed between 3% and 6% of compensation. Participants are fully vested with respect to the County's contributions after completing a probationary period. The County contributed \$9,651 for the year ended June 30, 2009 and employees contributed \$36,970 to the plan.

**COMBINING AND INDIVIDUAL FUND  
STATEMENTS**

## **NONMAJOR GOVERNMENTAL FUNDS**

### **SPECIAL REVENUE FUNDS**

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

**COUNTY OF SAGADAHOOC, MAINE**  
**Combining Statement of Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended June 30, 2009**

	Fund Balance Beginning of year	Revenues		Other	Expenditures	Fund Balance End of year
		Inter- governmental				
<b>Grant or program:</b>						
Unemployment reserve	\$ 16,228	\$ -	\$ 534	\$ -	\$ -	\$ 16,762
Wellness grant	86	595	-	650	31	31
VOCA grant	1,296	20,872	-	19,622	2,546	2,546
Domestic Violence grant	946	-	-	-	946	946
Deed preservation fund	101,839	-	26,222	21,029	107,032	107,032
Probate preservation fund	1,403	-	2,156	1,026	2,533	2,533
Weed & Seed grant	387	202	-	153	436	436
MDEA overtime grant	(573)	-	3,105	-	2,532	2,532
Seatbelt initiative grant	(8)	4,059	1,956	4,518	1,489	1,489
OUI Emphasis grant	311	4,594	853	5,370	388	388
Project Alert / DARE	(2,147)	-	-	1,397	(3,544)	(3,544)
Drug fund	220	-	248	-	468	468
Speed enforcement grant	345	2,005	873	2,377	846	846
Underage drinking grant	1,951	4,089	386	2,183	4,243	4,243
Special detail	2,167	10,650	-	12,093	724	724
LEPC State	3,450	3,563	-	2,398	4,615	4,615
LEPC training	(219)	220	6,750	6,750	1	1
WMD Exercise fund	809	-	-	-	809	809
Homeland security grant	-	108,632	68,676	177,308	-	-
Medical collections	2,015	-	5,536	3,536	4,015	4,015
Miscellaneous - state grants	304	28,371	2,131	23,766	7,040	7,040
<b>Totals</b>	<b>\$ 130,810</b>	<b>\$ 187,852</b>	<b>\$ 119,426</b>	<b>\$ 284,176</b>	<b>\$ 153,912</b>	<b>\$ 153,912</b>



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# **FIDUCIARY FUNDS**

## **FIDUCIARY FUNDS**

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

### **Agency Funds**

#### **District Attorney's Restitution Fund**

To account for funds collected as restitution for various crimes and due to the victim of the crime.

#### **Registry of Probate**

To account for fees collected on behalf of other agencies.

#### **Registry of Deeds**

To account for fees collected on behalf of other agencies.

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**COUNTY OF SAGADAHOC**  
**Combining Balance Sheet**  
**Fiduciary Funds**  
**Agency Fund**  
**June 30, 2009**

	<u>D.A.'S</u> <u>Restitution</u>	<u>Probate</u>	<u>Registry</u> <u>of Deeds</u>	<u>Total</u>
<b>ASSETS</b>				
Cash	\$ 2,996	\$ 9,518	\$ 14,604	\$ 27,118
Total assets	<u>\$ 2,996</u>	<u>\$ 9,518</u>	<u>\$ 14,604</u>	<u>\$ 27,118</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 2,996	\$ -	\$ -	\$ 2,996
Due to other governments	-	9,518	14,604	24,122
Total liabilities	<u>\$ 2,996</u>	<u>\$ 9,518</u>	<u>\$ 14,604</u>	<u>\$ 27,118</u>

**COUNTY OF SAGADAHOC**  
**Statement of Changes in Assets and Liabilities**  
**Fiduciary Funds**  
**Agency Fund**  
**For the Year Ended June 30, 2009**

	<u>Balance</u> <u>July 1, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2009</u>
<b>ASSETS</b>				
Cash	\$ 93,371	\$ -	\$ 66,253	\$ 27,118
Total assets	<u>\$ 93,371</u>	<u>\$ -</u>	<u>\$ 66,253</u>	<u>\$ 27,118</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 9,807	\$ -	\$ 6,811	\$ 2,996
Due to other governments	<u>83,564</u>	<u>-</u>	<u>\$ 59,442</u>	<u>24,122</u>
Total liabilities	<u>\$ 93,371</u>	<u>\$ -</u>	<u>\$ 66,253</u>	<u>\$ 27,118</u>

# STATISTICAL SECTION

This part of the County of Sagadahoc's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents	Table
Financial Trends These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	1-5
Revenue Capacity These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	6-8
Debt Capacity These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	9-10
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	11
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	12

Sources: Unless otherwise noted, the information in these schedules is derived from the County's budgets and financial statements for the relevant year.

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**COUNTY OF SAGadahoc, MAINE**  
**Net Assets by Component**  
**Last Five Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year				
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Governmental activities					
Invested in capital assets, net of related debt	\$ 1,808,088	\$ 2,284,714	\$ 2,130,423	\$ 2,470,534	\$ 2,477,508
Restricted	1,130,078	1,115,606	646,011	905,348	-
Unrestricted	879,526	1,003,812	1,916,809	1,805,291	3,067,751
Total governmental activities net assets	<u>\$ 3,817,692</u>	<u>\$ 4,404,132</u>	<u>\$ 4,693,243</u>	<u>\$ 5,181,173</u>	<u>\$ 5,545,259</u>

Only five years have been presented because 2005 was the year GASB Statement No. 34 was implemented. The amounts shown above do not reflect the restatement of net assets as a result of prior period adjustments.



**COUNTY OF SAGADAHOC, MAINE**  
**Changes in Net Assets**  
**Last Five Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year				
	2005	2006	2007	2008	2009
<b>Expenses</b>					
Governmental activities:					
General government	\$ 1,815,960	\$ 1,520,594	\$ 1,728,328	\$ 1,875,286	\$ 2,031,993
Public safety	3,420,997	3,689,319	6,754,408	6,114,336	5,886,499
Capital outlay	313,499	339,596	29,818	15,476	-
Miscellaneous	209,244	364,317	264,012	254,258	284,176
Interest on long-term debt	34,551	18,224	19,128	6,555	14,963
Total governmental activities expenses	<u>5,794,251</u>	<u>5,932,050</u>	<u>8,795,694</u>	<u>8,265,911</u>	<u>8,217,631</u>
<b>Program Revenues</b>					
Governmental activities:					
Charges for services	\$ 346,183	\$ 379,582	\$ 373,680	\$ 325,240	\$ 291,228
Registrar of Deeds	109,106	176,804	189,547	175,097	185,961
Other activities	576,914	528,965	501,334	602,234	506,901
Operating grants and contributions	46,524	156,660	119,292	-	-
Capital grants and contributions	-	-	-	-	-
Total governmental activities program revenues	<u>1,078,727</u>	<u>1,242,011</u>	<u>1,183,853</u>	<u>1,102,571</u>	<u>984,090</u>
<b>Net (expense) revenue</b>					
Total governmental activities net expenses	<u>\$ (4,715,524)</u>	<u>\$ (4,690,039)</u>	<u>\$ (7,611,841)</u>	<u>\$ (7,163,340)</u>	<u>\$ (7,233,541)</u>
<b>General Revenues and Other Changes in Net Assets</b>					
Governmental activities:					
Taxes	4,508,954	5,247,887	8,121,370	7,232,233	7,232,232
Jail Returned Surplus	-	-	-	246,124	265,860
Miscellaneous	-	-	-	-	55,218
Unrestricted interest income	65,767	28,592	268,547	172,913	67,326
Total governmental activities	<u>4,574,721</u>	<u>5,276,479</u>	<u>8,389,917</u>	<u>7,651,270</u>	<u>7,620,636</u>
<b>Change in Net Assets</b>					
Total governmental activities	<u>\$ (140,803)</u>	<u>\$ 586,440</u>	<u>\$ 778,076</u>	<u>\$ 487,930</u>	<u>\$ 387,095</u>

Only five years have been presented because 2005 was the year GASB Statement No. 34 was implemented. The amounts shown above do not reflect the restatement of net assets as a result of prior period adjustments.

Table 3

**COUNTY OF SAGADAHOC, MAINE**  
**Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	Fiscal Year									
	<u>2000</u>	<u>2001</u>	<u>2002(a)</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006(b)</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General Fund:										
Reserved	\$ 739,400	\$ 695,023	\$ 800,526	\$ 809,818	\$ 861,211	\$ 1,130,078	\$ 367,669	\$ 262,037	\$ 262,037	\$ 262,037
Unreserved	256,484	815,468	1,403,253	1,562,349	1,313,442	1,068,555	1,247,266	1,968,205	1,822,802	2,335,604
Total General Fund	\$ 995,884	\$ 1,510,491	\$ 2,203,779	\$ 2,372,167	\$ 2,174,653	\$ 2,198,633	\$ 1,614,935	\$ 2,230,242	\$ 2,084,839	\$ 2,597,641
All Other Governmental Funds:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	-	-	-	-	-	-	197,541	167,381	163,615	153,912
Capital project funds	-	-	-	-	-	-	550,396	374,259	679,500	522,253
Total all other governmental funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 747,937	\$ 541,640	\$ 843,115	\$ 676,165

(a) In the fiscal year 2002, the County changed its fiscal year from a calendar year to a fiscal year that runs from July 1 through June 30. The financial statements for 2002 were for the six month period from January 1, 2002 through June 30, 2002.

(b) Prior to the 2006 financial statements, all activity of Sagadahoc County was accounted for in the General Fund. In 2006 a special revenue fund and a capital projects fund were created to more accurately reflect the activities of the County.

Table 4

**COUNTY OF SAGADAHOC, MAINE**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	Fiscal Year									
	2000	2001	2002(a)	2003	2004	2005	2006(b)	2007	2008	2009
<b>Revenues</b>										
Taxes	\$ 2,511,473	\$ 3,857,538	\$ 1,402,228	\$ 4,456,920	\$ 4,114,804	\$ 4,508,954	\$ 5,247,887	\$ 8,121,370	\$ 7,232,232	\$ 7,232,232
Licenses, fees, and permits	248,294	299,819	162,627	405,245	420,859	398,913	451,624	447,702	401,343	353,189
Intergovernmental	414,401	377,246	199,813	393,589	705,430	491,962	539,575	389,453	501,270	681,713
Charges for services	95,204	148,861	52,438	127,350	128,216	129,931	89,986	94,766	89,381	95,622
Interest	51,645	36,709	10,141	43,136	46,800	66,435	39,585	268,549	424,779	78,653
Other	57,247	55,201	36,046	77,078	92,086	57,253	149,832	251,930	104,836	163,317
Total revenues	<u>3,378,264</u>	<u>4,775,374</u>	<u>1,863,293</u>	<u>5,503,318</u>	<u>5,508,195</u>	<u>5,653,448</u>	<u>6,518,489</u>	<u>9,573,770</u>	<u>8,753,841</u>	<u>8,604,726</u>
<b>Expenditures</b>										
General government	957,636	1,087,806	608,509	1,374,853	1,444,181	1,714,411	1,636,903	1,651,010	1,785,419	1,858,910
Public safety	2,319,665	2,712,341	1,360,361	2,973,522	3,320,473	3,662,618	3,829,004	6,592,799	4,944,468	4,720,489
Miscellaneous	131,840	100,516	39,315	97,247	120,402	125,208	364,317	264,012	254,258	284,176
Debt service:										
Principal	60,000	60,000	63,852	604,100	376,731	178,694	156,200	191,811	734,005	615,000
Interest	30,000	25,800	18,710	39,210	33,120	39,227	28,229	18,427	491,543	457,963
Capital lease payments	-	-	-	-	-	-	-	-	-	43,178
Capital outlay	119,071	550,554	79,258	245,998	412,802	313,499	339,596	446,701	388,077	527,236
Total expenditures	<u>3,618,212</u>	<u>4,537,017</u>	<u>2,170,005</u>	<u>5,334,930</u>	<u>5,707,709</u>	<u>6,033,657</u>	<u>6,354,249</u>	<u>9,164,760</u>	<u>8,597,770</u>	<u>8,506,952</u>
Excess (deficiency) of revenues over (under) expenditures	(239,948)	238,357	(306,712)	168,388	(199,514)	(380,209)	164,240	409,010	156,071	97,774
<b>Other financing sources (uses)</b>										
Proceeds from borrowing	-	276,250	1,000,000	-	-	404,188	-	-	-	250,000
Transfer in	-	-	-	-	-	-	193,375	492,920	488,602	118,754
Transfer out	-	-	-	-	-	-	(193,375)	(492,920)	(488,602)	(118,754)
Sale of assets	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	<u>276,250</u>	<u>1,000,000</u>	-	-	<u>404,188</u>	-	-	-	<u>250,000</u>
Net change in fund balance	<u>\$ (239,948)</u>	<u>\$ 514,607</u>	<u>\$ 693,288</u>	<u>\$ 168,388</u>	<u>\$ (199,514)</u>	<u>\$ 23,979</u>	<u>\$ 164,240</u>	<u>\$ 409,010</u>	<u>\$ 156,071</u>	<u>\$ 347,774</u>
Debt service as a percentage of noncapital expenditures	2.57%	2.15%	3.95%	12.64%	7.74%	3.81%	3.07%	2.41%	14.93%	13.45%

(a) In the fiscal year 2002, the County changed its fiscal year from a calendar year to a fiscal year that runs from July 1 through June 30. The financial statements for 2002 were for the six month period from January 1, 2002 through June 30, 2002.

(b) Prior to the 2006 financial statements, all activity of Sagadahoc County was accounted for in the General Fund. In 2006 a special revenue fund and a capital projects fund were created to more accurately reflect the activities of the County.

**COUNTY OF SAGADAHOC, MAINE**  
**Program Revenues by Function/Program**  
**Last Five Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year				
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
<b>Function/Program</b>					
Governmental activities:					
General government	\$ 585,021	\$ 453,356	\$ 619,110	\$ 463,061	\$ 413,546
Public safety	493,706	399,512	535,884	542,537	570,544
Capital outlay	-	5,594	-	-	-
Miscellaneous	-	383,549	28,859	96,973	-
Total governmental activities	\$ 1,078,727	\$ 1,242,011	\$ 1,183,853	\$ 1,102,571	\$ 984,090

Only five years have been presented because 2005 was the year GASB Statement No. 34 was implemented.

Prior to the 2006 financial statements, all activity of Sagadahoc County was accounted for in the General Fund. In 2006 a special revenue fund and a capital projects fund were created to more accurately reflect the activities of the County. The capital outlay and miscellaneous revenues are primarily the result of this change.

Table 6

**COUNTY OF SAGADAHOC, MAINE**  
**Assessed Value of Taxable Property**  
**Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>State Valuation (a)</u>		<u>County Tax</u>	<u>Total Direct Tax Value (b)</u>
2000	\$	1,860,350,000	\$ 2,511,473	1.3500
2001		1,961,700,000	3,857,538	1.9664
2002 (c)		2,142,750,000	1,402,228	0.6544
2003		2,142,750,000	4,456,920	2.0800
2004		2,370,500,000	4,114,804	1.7358
2005		2,674,700,000	4,508,954	1.6858
2006		3,120,800,000	5,242,944	1.6800
2007 (d)		3,608,800,000	8,120,000	2.2500
2008		4,161,650,000	7,232,232	1.7378
2009		4,527,600,000	7,232,232	1.5974

(a) County taxes are assessed based on State Valuation. Each municipality within the County presents their own classes of real and personal property values and each municipality has its own ratio of assessed value to actual value.

(b) Per \$1,000 of assessed value.

(c) In 2002, Sagadahoc County changed its fiscal year from a calendar year ending December 31 to a fiscal year ending June 30. Taxes were assessed for a six month period to cover the period from January 1, 2002 to June 30, 2002. Taxes were also assessed in 2002 for the 2002-2003 fiscal year that included July 1, 2002 to June 30, 2003.

(d) The large increase in taxes for fiscal year 2007 is due primarily to the construction and operation of Two Bridges Regional Jail. A bill was enacted by the Maine State Legislature in 2003 to create the Lincoln and Sagadahoc Multicounty Jail Authority for the purpose of building and operating a new jail. In a cost sharing agreement between the two counties, each county is to pay one half of the debt service and capital expense. The operating expense is to be paid based on prison population from each county. Debt was issued June 1, 2005 in the amount of \$24,600,000 with the first principal payment due December 1, 2006. The jail opened and began operating in December of 2006. Sagadahoc County's estimated share of operating expenditures was 43% but the Commissioners opted to raise 51% of the jail operating budget due to the uncertainty of the actual year end prisoner bed-day counts.

**COUNTY OF SAGADAHOC, MAINE**  
**Governmental Activities Tax Revenue by Source**  
 Last Ten Fiscal Years  
 (accrual basis of accounting)

<u>Fiscal Year</u>	<u>Direct Rate</u>	<u>Overlapping Rates</u>										<u>Total</u>
		<u>Arrowsic</u>	<u>Bath</u>	<u>Bowdoin</u>	<u>Bowdoinham</u>	<u>Georgetown</u>	<u>Phippsburg</u>	<u>Richmond</u>	<u>Topsham</u>	<u>West Bath</u>	<u>Woolwich</u>	
2000	1.3500	\$ 45,833	\$ 677,632	\$ 117,788	\$ 136,755	\$ 204,187	\$ 299,835	\$ 147,825	\$ 521,033	\$ 164,768	\$ 195,817	\$ 2,511,473
2001	1.9664	66,760	1,019,100	184,353	213,357	326,329	449,328	235,381	797,779	265,959	299,192	3,857,538
2002(a)	0.6544	28,434	359,171	71,952	78,005	112,263	161,606	96,263	296,380	93,155	104,999	1,402,228
2003	2.0800	90,376	1,141,608	228,696	247,936	356,824	513,656	305,968	942,032	296,088	333,736	4,456,920
2004	1.7358	85,490	1,032,824	204,048	226,614	351,854	459,650	266,017	874,515	297,436	316,356	4,114,804
2005	1.6858	99,292	1,095,757	219,067	231,879	424,226	526,638	273,686	935,270	316,168	386,971	4,508,954
2006	1.6800	108,864	1,265,880	246,456	267,288	530,796	615,048	300,048	1,068,564	399,756	440,244	5,242,944
2007(b)	2.2500	150,979	1,858,321	403,097	421,660	862,446	1,012,075	459,461	1,665,829	621,128	665,004	8,120,000
2008	1.7378	135,203	1,626,955	345,220	399,527	851,882	980,656	410,649	1,378,185	550,631	553,324	7,232,232
2009	1.5974	138,136	1,633,038	338,468	399,219	844,002	1,008,896	430,318	1,319,159	555,435	565,561	7,232,232

(a) In 2002, Sagadahoc County changed its fiscal year from a calendar year ending December 31 to a fiscal year ending June 30. Taxes were assessed for a six month period to cover the period from January 1, 2002 to June 30, 2002. Taxes were also assessed in 2002 for the 2002-2003 fiscal year that included July 1, 2002 to June 30, 2003.

(b) The large increase in the tax rate for fiscal year 2007 is due primarily to the construction and operation of Two Bridges Regional Jail. A bill was enacted by the Maine State Legislature in 2003 to create the Lincoln and Sagadahoc Multicounty Jail Authority for the purpose of building and operating a new jail. In a cost sharing agreement between the two counties, each county is to pay one half of the debt service and capital expense. The operating expense is to be paid based on prison population from each county. Debt was issued June 1, 2005 in the amount of \$24,600,000 with the first principal payment due December 1, 2006. The jail opened and began operating in December of 2006. Sagadahoc County's estimated share of operating expenditures was 43% but the Commissioners opted to raise 50% of the operating budget due to the uncertainty of the cost to operate the new facility.

Table 8

**COUNTY OF SAGADAHOC, MAINE**  
**Principal Property Taxpayers/Total Tax Levy**  
**Current Year and Ten Years Ago**

Taxpayer	2009			1999		
	State Taxable Assessed Valuation	Rank	Percentage of State Taxable Assessed Valuation	State Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Valuation
Bath	\$ 980,350,000	1	21.65%	484,500,000	1	26.74%
Topsham	819,150,000	2	18.09%	375,850,000	2	20.74%
Phippsburg	622,900,000	3	13.76%	214,100,000	3	11.82%
Georgetown	516,650,000	4	11.41%	142,150,000	5	7.84%
Woolwich	379,300,000	5	8.38%	146,350,000	4	8.08%
West Bath	351,700,000	6	7.77%	118,100,000	6	6.52%
Richmond	280,200,000	7	6.19%	107,700,000	7	5.94%
Bowdoinham	260,600,000	8	5.76%	104,600,000	8	5.77%
Bowdoin	221,900,000	9	4.90%	85,500,000	9	4.72%
Arrowsic	94,850,000	10	2.09%	33,200,000	10	1.83%
	<u>\$ 4,527,600,000</u>		<u>100.00%</u>	<u>1,812,050,000</u>		<u>100.00%</u>

The County of Sagadahoc receives one hundred percent of its tax revenue from the ten towns within its boundaries. All taxes levied have been collected.

Table 9

## COUNTY OF SAGADAHO, MAINE

## Ratios of Outstanding Debt by Type

## Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Capital Lease</u>	<u>Governmental Expense Bond</u>	<u>Total Primary Government</u>	<u>Population (a)</u>	<u>Per Capita Income (b)</u>	<u>Personal Income</u>	<u>Percentage of Personal Income</u>	<u>Per Capita</u>	<u>Percentage of Estimated State Taxable Value of Property (c)</u>
2000	\$ 360,000	\$ 124,849	\$ -	\$ 484,849	33,535	\$ 13,668	\$ 458,356,380	0.11%	35.47	0.03%
2001	300,000	315,349	-	615,349	35,214	19,533	687,835,062	0.09%	31.50	0.03%
2002	300,000	246,249	1,000,000	1,546,249	35,214	19,533	687,835,062	0.22%	79.16	0.07%
2003	240,000	156,614	455,900	852,514	35,214	19,533	687,835,062	0.12%	43.64	0.04%
2004	180,000	61,695	198,600	440,295	35,214	19,533	687,835,062	0.06%	22.54	0.02%
2005	120,000	358,268	162,400	640,668	35,214	19,533	687,835,062	0.09%	32.80	0.02%
2006	60,000	290,228	66,200	416,428	35,214	19,533	687,835,062	0.06%	21.32	0.01%
2007	-	225,861	-	225,861	35,214	19,533	687,835,062	0.03%	11.56	0.01%
2008	-	-	-	-	35,214	19,533	687,835,062	0.00%	-	0.00%
2009	-	221,785	-	221,785	35,214	19,533	687,835,062	0.03%	11.35	0.00%

(a) For years 1998 through 2000, 1990 Census, U.S. Department of Commerce, Bureau of Census and for years 2001 through 2009, 2000 Census, U.S. Department of Commerce, Bureau of Census.

(b) For years 1998 through 2000, 1990 Census, U.S. Department of Commerce, Bureau of Census and for years 2001 through 2009, 2000 Census, U.S. Department of Commerce, Bureau of Census.

(c) See Table 6.



**COUNTY OF SAGADAHOC, MAINE**  
**Legal Debt Margin Information**  
**June 30, 2009**

The amount of debt a Maine county or municipality may have is governed by Title 30-A M.R.S.A. section 5702. The law limits total debt and debt for specific categories. Total debt cannot exceed 15% of the County's last full State Valuation. Debt for specific categories is limited to a percentage of State valuation. As the following table indicates, based on a 2009 State Valuation of \$4,527,600,000, the County is in compliance with the total and categorical debt limits:

		Debt Limit by Category						
		Type of Debt	Maximum Percent Allowable	Maximum Allowable Amount	Principal Amount Outstanding	Legal Debt Margin		
<b>Legal Debt Margin Calculation for Fiscal Year 2008</b>	State Valuation	School	10.00%	\$ 452,760,000	\$ -	\$ 452,760,000		
		Storm or Sanitary Sewer						
		Municipal Airport	7.50%	339,570,000	-	339,570,000		
		Special District						
		County	3.00%	135,828,000	-	135,828,000		
Debt Limit - 15% of State Valuation	\$ 4,527,600,000				221,785	339,348,215		
Less outstanding debt applicable to debt limit	679,140,000							
Legal Debt Margin	\$ 679,140,000	Total Maximum Debt	15.00%	\$ 679,140,000	\$ 221,785	\$ 678,918,215		
Debt limit	\$ 279,052,500				2005	2006	2007	2009
	\$ 279,052,500	\$ 294,255,000	\$ 321,412,500	\$ 355,575,000	\$ 401,205,000	\$ 469,120,000	\$ 541,320,000	\$ 624,247,500
Total debt applicable to limit	484,849	615,349	852,514	440,295	640,668	416,428	225,861	221,785
Legal debt margin	\$ 278,567,651	\$ 293,639,651	\$ 320,559,986	\$ 355,134,705	\$ 400,564,332	\$ 467,703,572	\$ 541,094,139	\$ 624,247,500
Total debt applicable to the limit as a percentage of debt limit	0.17%	0.21%	0.05%	0.12%	0.16%	0.09%	0.04%	0.03%

Table 11

**COUNTY OF SAGADAHOC, MAINE**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Population (a)</b>	<b>Personal Income</b>	<b>Per Capita Personal Income (a)</b>	<b>Median Age (a)</b>	<b>Unemployment Rate (b)</b>
2000	33,535	\$ 458,356,380	\$ 13,668	32.60	2.60%
2001	35,214	717,590,892	20,378	38.00	3.10%
2002	35,214	717,590,892	20,378	38.00	3.50%
2003	35,214	717,590,892	20,378	38.00	3.50%
2004	35,214	717,590,892	20,378	38.00	3.90%
2005	35,214	717,590,892	20,378	38.00	3.70%
2006	35,214	717,590,892	20,378	38.00	4.30%
2007	35,214	717,590,892	20,378	38.00	4.00%
2008	35,214	717,590,892	20,378	38.00	4.00%
2009	35,214	717,590,892	20,378	38.00	7.00%

(a) For years 1998 through 2000, 1990 Census, U.S. Department of Commerce, Bureau of Census and for years 2001 through 2007, 2000 Census, U.S. Department of Commerce, Bureau of Census.

(b) State of Maine Department of Labor, Division of Economic Analysis and Research. For years 1998 through 2002, the County's fiscal year corresponded to the calendar year, the same period as the data for unemployment. In fiscal year 2002, the County changed its fiscal year from a calendar year to a fiscal year that runs from July 1 through June 30. Unemployment data for those years is as of 12/31 prior to the fiscal year end.

Table 12

**COUNTY OF SAGADAHOC, MAINE**  
**Full-time Equivalent County Employees by Function/Program**  
**Last Ten Fiscal Years**

<u>Function</u>	<u>2000</u>	<u>2001(b)</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005(c)</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General government:										
Administration (a)	9	10	11	10.5	10.5	10	10	9	8	8.5
District Attorney	2	2	2	2	3	3	3	3	3	4
D. A. Grant Positions	1	1	1	1	2	2	2	2	2	1
Registrar of Deeds	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3
Register of Probate	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	2.5
Public safety:										
Sheriff	15.5	16.5	17.5	17.5	16.5	16.5	16.5	20	20	21
Sheriff Grant Positions	1	2	2	2	0	0	0	1	1	0
Transport/Corrections	7.5	8.5	7.5	9	11	11.5	11.5	8	8	5
Communications	5.5	10.5	10.5	10.5	10.5	14.5	14.5	14.5	14	15
Emergency Management	0	1	1	1	1	1	1	1.5	1.5	1.5
<b>Total</b>	<b>48.5</b>	<b>58.5</b>	<b>59.5</b>	<b>60.5</b>	<b>61.5</b>	<b>65.5</b>	<b>65.5</b>	<b>66</b>	<b>64.5</b>	<b>61.5</b>

Note: The information in this table is taken from the County of Sagadahoc's adopted budget for the corresponding fiscal year. All of the positions may or may not have been filled as of June 30 of any given year. Elected officials are counted as full time employees even though they may work less than a full work week.

(a) In fiscal year 2007, several departments were combined to form an Administration Department. Data from prior years has been combined to be consistent with current the organization.

(b) In 2001 the Communications Center within the County Courthouse became a Public Safety Answering Point (PSAP) for dispatch throughout the County. This created the need for additional staff in the Communications Department.

(c) In 2005 the Communications Center began dispatching for the Town of Topsham and added additional staff to handle the additional work load.