

Audited Financial Statements

Town of Casco, Maine

June 30, 2011



Proven Expertise and Integrity

TOWN OF CASCO, MAINE

CONTENTS

JUNE 30, 2011

	PAGE
INDEPENDENT AUDITORS' REPORT	1 - 2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3 - 9
<u>BASIC FINANCIAL STATEMENTS</u>	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT A - STATEMENT OF NET ASSETS	10
STATEMENT B - STATEMENT OF ACTIVITIES	11 - 12
FUND FINANCIAL STATEMENTS	
STATEMENT C - BALANCE SHEET - GOVERNMENTAL FUNDS	13
STATEMENT D - RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET ASSETS	14
STATEMENT E - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS	15
STATEMENT F - RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	16
NOTES TO FINANCIAL STATEMENTS	17 - 30
<u>REQUIRED SUPPLEMENTARY INFORMATION</u>	
REQUIRED SUPPLEMENTARY INFORMATION DESCRIPTION	31
SCHEDULE 1 - BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS - BUDGET AND ACTUAL - GENERAL FUND	32
<u>OTHER SUPPLEMENTARY INFORMATION</u>	
OTHER SUPPLEMENTARY INFORMATION DESCRIPTION	33

SCHEDULE A - BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS - BUDGET AND ACTUAL - GENERAL FUND REVENUE	34
SCHEDULE B - SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND	35 - 37
SCHEDULE C - COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS	38
SCHEDULE D - COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS	39
SPECIAL REVENUE FUNDS DESCRIPTION	40
SCHEDULE E - COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS	41 - 42
SCHEDULE F - COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS	43 - 44
CAPITAL PROJECT FUNDS DESCRIPTION	45
SCHEDULE G - COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECT FUNDS	46 - 48
SCHEDULE H - COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR CAPITAL PROJECT FUNDS	49 - 51
PERMANENT FUNDS DESCRIPTION	52
SCHEDULE I - COMBINING BALANCE SHEET - NONMAJOR PERMANENT FUNDS	53
SCHEDULE J - COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR PERMANENT FUNDS	54
GENERAL CAPITAL ASSETS DESCRIPTION	55
SCHEDULE K - SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION	56
SCHEDULE L - SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS BY FUNCTION	57



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INDEPENDENT AUDITORS' REPORT

March 14, 2012

Board of Selectmen
Town of Casco
Casco, Maine

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Casco, Maine, as of and for the year ended June 30, 2011, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town of Casco, 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit 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 the 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 Town of Casco, Maine as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 9 and 32 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

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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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Casco, Maine's financial statements as a whole. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

RHR Smith & Company

Certified Public Accountants

**REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2011**

(UNAUDITED)

The following management's discussion and analysis of the Town of Casco's financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2011. Please read it in conjunction with the Town's financial statements.

Financial Statement Overview

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

Basic Financial Statements

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

Government-Wide Financial Statements

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

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

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

Both of the above mentioned financial statements have one column for the Town's activities. The type of activity presented for the Town is:

- *Governmental activities* – The activities in this section are mostly supported by taxes and intergovernmental revenues (federal and state grants). All of the Town's basic services are reported in governmental activities and include general government, public safety, health and sanitation, public works, social services, education and other unclassified expenses.

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 Town, like other local governments uses fund accounting to ensure and demonstrate compliance with financial related legal requirements. All of the funds of the Town can be divided into one category: governmental funds.

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

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

The Town presents only two columns in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances. The Town's major governmental fund is the general fund. All other funds are shown as nonmajor and are combined in the "Other Governmental Funds" column on these statements.

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

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and the Fund Financial Statements. The Notes to Financial Statements can be found following the Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.

Required Supplementary Information

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

Other Supplementary Information

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

Government-Wide Financial Analysis

Our analysis below focuses on the net assets, and changes in net assets of the Town's governmental activities. The Town's total net assets increased by \$187,051 from \$4,624,027 to \$4,811,078.

Unrestricted net assets - the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements - increased by \$49,216 from \$3,148,800 to a balance of \$3,198,016 at the end of this year.

Table 1
Town of Casco, Maine
Net Assets
June 30,

	2011	2010 (Restated)
Assets:		
Current and Other Assets	\$ 3,428,276	\$ 3,434,706
Capital Assets	2,036,810	2,059,906
Total Assets	\$ 5,465,086	\$ 5,494,612
Liabilities:		
Current Liabilities	\$ 300,421	\$ 310,003
Long-term Debt Outstanding	353,587	560,582
Total Liabilities	\$ 654,008	\$ 870,585
Net Assets:		
Invested in Capital Assets, Net of Related Debt	\$ 1,502,810	\$ 1,314,906
Restricted Net Assets:		
Special Revenue Funds	20,932	71,160
Permanent Funds	89,320	89,161
Unrestricted Net Assets	3,198,016	3,148,800
Total Net Assets	\$ 4,811,078	\$ 4,624,027

Revenues and Expenses

Revenues for the Town's governmental activities increased by 7.73%, while total expenses increased by 10.76%. The cause of the increase in revenues was mainly from a significant increase in property taxes. Most expenses were consistent with the prior year with the exception of public works which decreased by 50.8% due to much less money spent on road maintenance and paving and education which increased by 13.32%.

Table 2
Town of Casco, Maine
Changes in Net Assets
For the Years Ended June 30,

	2011	2010 (Restated)
Revenues		
Taxes:		
Property	\$ 6,983,787	\$ 6,194,658
Excise	566,789	555,814
Intergovernmental	313,735	523,332
Interest income	45,530	56,812
Charges for services/fees	264,905	122,216
Other revenue	135,147	260,722
Total revenues	<u>8,309,893</u>	<u>7,713,554</u>
Expenses		
General government	718,476	698,301
Public safety	559,623	497,947
Health and sanitation	343,103	529,551
Public works	445,721	906,810
Social services	70,679	115,223
Parks and recreation	129,798	91,531
County tax	342,423	332,948
Education	5,340,411	4,712,808
Unclassified	102,220	119,870
Capital outlay	62,169	3,273
Interest on long-term debt	8,219	28,069
Total expenses	<u>8,122,842</u>	<u>8,036,331</u>
Change in Net Assets	187,051	(322,777)
Net Assets - July 1	<u>4,624,027</u>	<u>4,946,804</u>
Net Assets - June 30	<u><u>\$ 4,811,078</u></u>	<u><u>\$ 4,624,027</u></u>

Financial Analysis of the Town's Fund Statements

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

Table 3
Town of Casco, Maine
Fund Balances - Governmental Funds
June 30,

	2011	2010 (Restated)
General Fund:		
Nonspendable	\$ 47,451	\$ 44,240
Committed	550,618	362,923
Unassigned	1,183,684	1,184,922
Total General Fund	\$ 1,781,753	\$ 1,592,085
Nonmajor Funds:		
Special Revenue Funds		
Restricted	\$ 20,932	\$ 71,160
Committed	126,932	20,372
Assigned	111,400	299,317
Capital Project Funds		
Committed	487,157	606,735
Assigned	36,672	46,088
Unassigned	(4,311)	-
Permanent Funds		
Restricted	89,320	89,161
Total Nonmajor Funds	\$ 868,102	\$ 1,132,833

The general fund total fund balance increased by \$189,668 over the prior fiscal year. The non-major fund balances decreased by \$264,731 over the prior fiscal year. Most of the increase in the general fund came as a result of underspent appropriations. The decrease in the non-major fund balances came as a result of expenditures in the capital project funds.

Budgetary Highlights

The difference between the original and final budget for the general fund was the application of carry-forward items and education revenues.

The general fund actual revenues were less than budget by \$155,049. This was a result of most revenue items being under-received.

The general fund actual expenditures were under budget by \$731,507. Most of this amount was from the public works positive variance of \$352,246. All other departments were underspent as well. (See Schedule 1)

Capital Asset and Debt Administration

Capital Assets

As of June 30, 2011, the net book value of capital assets recorded by the Town decreased by \$23,096 over the prior year. This was a result of the current year additions of \$218,231 less depreciation expense of \$241,327.

Table 4
Town of Casco, Maine
Capital Assets (Net of Depreciation)
June 30,

	<u>2011</u>	<u>2010</u>
Land	\$ 219,000	\$ 219,000
Buildings and Improvements	1,291,074	1,363,454
Vehicles and equipment	417,534	441,452
Intellectual property	24,000	36,000
Infrastructure	<u>85,202</u>	<u>-</u>
Total	<u>\$ 2,036,810</u>	<u>\$ 2,059,906</u>

Debt

At June 30, 2011, the Town had \$534,000 in bonds outstanding versus \$745,000 last year, a decrease of 28.32% as shown in Note 5 of the financial statements.

Currently Known Facts, Decisions, or Conditions

Economic Factors and Next Year's Budgets and Rates

The Town has steadily maintained a sufficient undesignated fund balance to sustain government operations for a period of approximately two months, while also maintaining significant reserve accounts for future capital and program needs.

Contacting the Town's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town Office at 635 Meadow Road, P.O. Box 60, Casco, Maine 04015.

TOWN OF CASCO, MAINE
STATEMENT OF NET ASSETS
JUNE 30, 2011

	Governmental Activities
ASSETS	
Current assets:	
Cash	\$ 2,357,925
Accounts receivable (net of allowance for uncollectibles)	
Taxes	614,673
Liens	333,732
Other	74,495
Prepaid items	9,456
Tax acquired property	37,995
Total current assets	3,428,276
Noncurrent assets:	
Capital assets:	
Land and other assets not being depreciated	219,000
Buildings and equipment, net of accumulated depreciation	1,817,810
Total noncurrent assets	2,036,810
TOTAL ASSETS	\$ 5,465,086
LIABILITIES	
Current liabilities	
Accounts payable	\$ 42,858
Accrued expenses	18,266
Due to other governments	11,965
Prepaid taxes	2,433
Escrows payable	8,899
Current portion of long-term obligations	216,000
Total current liabilities	300,421
Noncurrent liabilities:	
Noncurrent portion of long-term obligations:	
Bonds payable	318,000
Accrued compensated absences	35,587
Total noncurrent liabilities	353,587
TOTAL LIABILITIES	654,008
NET ASSETS	
Invested in capital assets, net of related debt	1,502,810
Restricted: Special Revenue funds	20,932
Permanent funds	89,320
Unrestricted	3,198,016
TOTAL NET ASSETS	4,811,078
TOTAL LIABILITIES AND NET ASSETS	\$ 5,465,086

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

TOWN OF CASCO, MAINE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue & Changes in Net Assets
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Total Governmental Activities
Governmental activities					
Current:					
General government	\$ 718,476	\$ 55,055	\$ -	\$ -	\$ (663,421)
Public safety	559,623	188,120	-	-	(371,503)
Health and sanitation	343,103	-	-	-	(343,103)
Public works	445,721	-	52,272	-	(393,449)
Social services	70,679	-	26,880	-	(43,799)
Parks and recreation	129,798	21,730	-	-	(108,068)
County tax	342,423	-	-	-	(342,423)
Education	5,340,411	-	-	-	(5,340,411)
Unclassified	102,220	-	-	-	(102,220)
Capital outlay	62,169	-	-	-	(62,169)
Interest on long-term debt	8,219	-	-	-	(8,219)
	<u>8,122,842</u>	<u>264,905</u>	<u>79,152</u>	<u>-</u>	<u>(7,778,785)</u>

STATEMENT B (CONTINUED)
TOWN OF CASCO, MAINE

STATEMENT OF ACTIVITIES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Governmental Activities</u>
Changes in net assets:	
Net (expense) revenue	<u>(7,778,785)</u>
General revenue:	
Taxes	
Property taxes, levied for general purposes	6,983,787
Excise taxes, levied for general purposes	566,789
Grants and contributions not restricted to specific programs	234,583
Miscellaneous	<u>180,677</u>
Total general revenue and transfers	<u>7,965,836</u>
Change in net assets	187,051
NET ASSETS - JULY 1, 2010, RESTATED	<u>4,624,027</u>
NET ASSETS - JUNE 30, 2011	<u><u>\$ 4,811,078</u></u>

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

TOWN OF CASCO, MAINE

BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2011

	General Fund	Other Governmental Funds	Totals Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash	\$ 2,172,439	\$ 185,486	\$ 2,357,925
Accounts receivable (net of allowance of doubtful accounts):			
Taxes	614,673	-	614,673
Tax liens	333,732	-	333,732
Other	74,495	-	74,495
Prepaid items	9,456	-	9,456
Tax acquired property	37,995	-	37,995
Due from other funds	34,987	717,603	752,590
TOTAL ASSETS	<u><u>\$ 3,277,777</u></u>	<u><u>\$ 903,089</u></u>	<u><u>\$ 4,180,866</u></u>
 LIABILITIES AND FUND			
Liabilities			
Accounts payable	\$ 42,858	\$ -	\$ 42,858
Accrued expenses	18,266	-	18,266
Due to other governments	11,965	-	11,965
Prepaid taxes	2,433	-	2,433
Due to other funds	717,603	34,987	752,590
Deferred property tax	694,000	-	694,000
Escrows payable	8,899	-	8,899
TOTAL LIABILITIES	<u><u>1,496,024</u></u>	<u><u>34,987</u></u>	<u><u>1,531,011</u></u>
 Fund Equity			
Nonspendable	47,451	-	47,451
Restricted	-	110,252	110,252
Committed	550,618	614,089	1,164,707
Assigned	-	148,072	148,072
Unassigned	1,183,684	(4,311)	1,179,373
TOTAL FUND EQUITY	<u><u>1,781,753</u></u>	<u><u>868,102</u></u>	<u><u>2,649,855</u></u>
 TOTAL LIABILITIES AND FUND EQUITY	<u><u>\$ 3,277,777</u></u>	<u><u>\$ 903,089</u></u>	<u><u>\$ 4,180,866</u></u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF CASCO, MAINE

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2011

	<u>Total Governmental Funds</u>
Total Fund Equity	\$ 2,649,855
Amounts reported for governmental activities in the statement are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation	2,036,810
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds shown above:	
Taxes and liens receivable	694,000
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Bonds payable	(534,000)
Accrued compensated absences	<u>(35,587)</u>
Net assets of governmental activities	<u>\$ 4,811,078</u>

See accompanying independent auditor's report and notes to financial statements.

STATEMENT E

TOWN OF CASCO, MAINE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

	General Fund	Other Governmental Funds	Total Governmental Funds
REVENUES			
Taxes:			
Property	\$ 6,924,787	\$ -	\$ 6,924,787
Excise	566,789	-	566,789
Intergovernmental	313,735	-	313,735
Interest income	45,530	-	45,530
Charges for services/fees	264,905	-	264,905
Other revenue	98,810	36,337	135,147
TOTAL REVENUES	<u>8,214,556</u>	<u>36,337</u>	<u>8,250,893</u>
EXPENDITURES			
Current:			
General government	696,330	-	696,330
Public safety	401,772	-	401,772
Health and sanitation	322,603	-	322,603
Public works	435,135	-	435,135
Social services	70,679	-	70,679
Parks and recreation	114,764	-	114,764
County tax	342,423	-	342,423
Education	5,340,411	-	5,340,411
Unclassified	102,220	-	102,220
Capital outlay	-	280,400	280,400
Debt service:			
Principal	211,000	-	211,000
Interest	8,219	-	8,219
TOTAL EXPENDITURES	<u>8,045,556</u>	<u>280,400</u>	<u>8,325,956</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>169,000</u>	<u>(244,063)</u>	<u>(75,063)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	224,228	203,560	427,788
Transfers (out)	(203,560)	(224,228)	(427,788)
TOTAL OTHER FINANCING SOURCES (USES)	<u>20,668</u>	<u>(20,668)</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES)	189,668	(264,731)	(75,063)
FUND BALANCES - JULY 1, RESTATED	<u>1,592,085</u>	<u>1,132,833</u>	<u>2,724,918</u>
FUND BALANCES - JUNE 30	<u>\$ 1,781,753</u>	<u>\$ 868,102</u>	<u>\$ 2,649,855</u>

See accompanying independent auditors report and notes to financial statements.

TOWN OF CASCO, 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, 2011

Net change in fund balances - total governmental funds (Statement E)	<u>\$ (75,063)</u>
Amounts reported for governmental activities in the Statement of Activities (Statement B) are different because:	
Governmental funds report capital outlays as expenditures while governmental	
Capital asset purchases capitalized	218,231
Net asset disposals	-
Depreciation expense	<u>(241,327)</u>
	<u>(23,096)</u>
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets.	<u>-</u>
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:	
Taxes and liens receivable	<u>59,000</u>
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Net Assets	<u>211,000</u>
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:	
Accrued compensated absences	<u>15,210</u>
Change in net assets of governmental activities (Statement B)	<u><u>\$ 187,051</u></u>

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

TOWN OF CASCO, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Town of Casco, Maine was incorporated under the laws of the State of Maine. The Town provides the following services: general government, public safety, health and sanitation, public works, social services, parks and recreation, education and other unclassified.

The Town's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. Although the Town has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the Town has chosen not to do so.

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

Government – Wide and Fund Financial Statements

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

Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. All activities of the Town are categorized as governmental.

In the government-wide Statement of Net Assets, both the governmental and business-type activities columns are (a) presented on a consolidated basis by column, and (b) are reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Town's net assets are reported in three parts - invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The Town first utilizes restricted resources to finance qualifying activities.

TOWN OF CASCO, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

Measurement Focus - Basic Financial Statements & Fund Financial Statements

The financial transactions of the Town are reported in the individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the Town:

1. Governmental Funds:

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

- a. The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

TOWN OF CASCO, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- b. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
- c. Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities or equipment.
- d. Permanent Funds are used to account for assets held by the Town pursuant to a trust agreement. The principal portion of this fund type must remain intact, but the earnings may be used to achieve the objectives of the fund.

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

Basis of Accounting

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

1. Accrual

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

2. Modified Accrual

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

TOWN OF CASCO, MAINE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budget

The Town's policy is to adopt an annual budget for operations. The budget is presented on the modified accrual basis of accounting which is consistent with generally accepted accounting principles.

The following procedures are followed in establishing budgetary data reflected in the financial statements:

1. Early in the second half of the year the Town prepares a budget for the fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the inhabitants of the Town was called for the purpose of adopting the proposed budget after public notice of the meeting was given.
3. The budget was adopted subsequent to passage by the inhabitants of the Town.
4. The Town does not adopt budgets for Special Revenue Funds.

Deposits and Investments

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

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

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

TOWN OF CASCO, MAINE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventories

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

Interfund Receivables and Payables

Any residual balances outstanding between governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances". Interfund balances and transactions have been eliminated in the government-wide financial statements.

Transactions Between Funds

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of Governmental Funds.

Allowance for Uncollectible Accounts

The allowance for uncollectible accounts for accounts receivables is estimated to be \$135,212 as of June 30, 2011.

Capital Assets

Capital assets purchased or acquired with an original cost of \$10,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Infrastructure such as streets, traffic signals, and signs are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives.

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

TOWN OF CASCO, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Estimated useful lives are as follows:

Buildings	20 - 50 years
Machinery and equipment	5 - 10 years
Vehicles	3 - 25 years
Infrastructure	40 - 50 years

Long-term Obligations

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

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

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

Reserves

The Town records reserves to indicate that a portion of the fund balance is legally segregated for a specific future use, which is indicated by the title of each reserves listed in the balance sheet and statement of net assets. It is the Town's policy to first use restricted assets for restricted programs and only unrestricted assets after the restricted assets have been exhausted.

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for those assets, and adding back unspent proceeds. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the Town or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

TOWN OF CASCO, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Equity

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

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

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

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

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

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of assigned funds, and then unassigned funds, as needed.

The Town is in the process of evaluating its current fund balance policies to ensure that these new classifications are supported. Included in the policies are guidelines for accumulating and maintaining an operating position in certain budgeted governmental funds such that annual expenditures shall not exceed annual resources, including fund balances. Other funds shall be fully self-supporting to the extent that the fund balance or retained earnings of each fund shall be zero or greater.

TOWN OF CASCO, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition - Property Taxes - Modified Accrual Basis

The Town's property tax for the current year was levied August 23, 2010 on the assessed value listed as of April 1, 2010, for all real and personal property located in the Town. Taxes were due on in two installments on October 7, 2010 and April 7, 2011. Interest on unpaid taxes commenced on October 8, 2010 and April 8, 2011, at 7% per annum.

Property tax revenues are recognized when they become available. Available includes those property tax receivables expected to be collected within sixty days after year end. The remaining receivables have been recorded as deferred revenues.

The Town 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 \$79,477 for the year ended June 30, 2011.

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

Program Revenues

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

Encumbrance Accounting

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

Use of Estimates

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

TOWN OF CASCO, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 2 - CASH

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

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the Town will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. The Town does not have a policy covering custodial credit risk.

At June 30, 2011, the Town's cash balance of \$2,357,925 was comprised of deposits of \$2,407,029. Of this balance, \$2,407,029 was insured by federal depository insurance and consequently was not exposed to custodial credit risk and \$0 was in excess of federal depository insurance and collateralization, and therefore, not insured or collateralized.

<u>Account Type</u>	<u>Bank Balance</u>
Checking accounts	\$ 2,025,110
Savings accounts	15,804
Certificate of deposit	366,115
	<u>\$ 2,407,029</u>

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at June 30, 2011 consisted of the following individual fund receivables and payables:

	<u>Receivables (Due From)</u>	<u>Payables (Due To)</u>
General fund	\$ 34,987	\$ 717,603
Special revenue funds	216,826	-
Capital project funds	495,488	34,987
Permanent funds	5,289	-
	<u>\$ 752,590</u>	<u>\$ 752,590</u>

TOWN OF CASCO, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 4 - CAPITAL ASSETS

The following is a summary of changes in capital assets at June 30, 2011:

	Balance 7/1/10	Additions	Disposals	Balance 6/30/11
Non-depreciated assets:				
Land	\$ 219,000	\$ -	\$ -	\$ 219,000
	<u>219,000</u>	<u>-</u>	<u>-</u>	<u>219,000</u>
Depreciated assets:				
Buildings & improvements	2,080,848	-	-	2,080,848
Vehicles & equipment	2,442,400	133,029	(106,000)	2,469,429
Intellectual property	120,000	-	-	120,000
Infrastructure	-	85,202	-	85,202
	<u>4,643,248</u>	<u>218,231</u>	<u>(106,000)</u>	<u>4,755,479</u>
Less accumulated depreciation:				
Buildings & improvements	(717,394)	(72,380)	-	(789,774)
Vehicles & equipment	(2,000,948)	(156,947)	106,000	(2,051,895)
Intellectual property	(84,000)	(12,000)	-	(96,000)
Infrastructure	-	-	-	-
	<u>(2,802,342)</u>	<u>(241,327)</u>	<u>106,000</u>	<u>(2,937,669)</u>
Net depreciated assets	<u>1,840,906</u>	<u>(23,096)</u>	<u>-</u>	<u>1,817,810</u>
Net capital assets	<u>\$ 2,059,906</u>	<u>\$ (23,096)</u>	<u>\$ -</u>	<u>\$ 2,036,810</u>

Current year depreciation:

General government	\$ 37,356
Public safety	157,851
Public works	10,586
Waste management	20,500
Parks and recreation	15,034
	<u>\$ 241,327</u>

TOWN OF CASCO, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 5 - LONG-TERM DEBT

The following is a summary of changes in long-term debt for the year ended June 30, 2011:

	Balance 7/1/10	Additions	Reductions	Balance 6/30/11	Current Year Portion
Bonds payable	\$ 745,000	\$ -	\$ (211,000)	\$ 534,000	\$ 216,000
Accrued compensated absences	50,797	-	(15,210)	35,587	-
Totals	<u>\$ 795,797</u>	<u>\$ -</u>	<u>\$ (226,210)</u>	<u>\$ 569,587</u>	<u>\$ 216,000</u>

The following is a summary of the outstanding bonds payable:

\$755,000 bond payable to US Bank, annual varying principal payments of \$40,000 to \$110,000, semi-annual interest charged at an annual rate of 4.5% to 4.75% .	\$ 110,000
\$530,000 bond payable to TD Bank, annual principal payments of \$106,000, semi-annual interest charged at an annual rate of 3.2% .	<u>424,000</u>
	<u>\$ 534,000</u>

Principal and interest requirements to maturity are as follows:

	Principal	Interest	Total Debt Service
2012	\$ 216,000	\$ 14,485	\$ 230,485
2013	106,000	8,480	114,480
2014	106,000	5,088	111,088
2015	106,000	1,696	107,696
2016	-	-	-
	<u>\$ 534,000</u>	<u>\$ 29,749</u>	<u>\$ 563,749</u>

All bonds are direct obligations of the Town, for which its full faith and credit are pledged. The Town is not obligated for special assessment debt. All bonds and notes are payable from taxes levied on all taxable property located within the Town. The General Fund is used to liquidate the liability for the bonds, and notes.

TOWN OF CASCO, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 6 – OVERLAPPING DEBT

The Town is contingently liable for its proportionate share of any defaulted debt by entities of which it is a member. At June 30, 2011, the Town's share was approximately:

	<u>Outstanding Debt</u>	<u>Town's Percentage</u>	<u>Amount</u>
County of Cumberland	\$ 1,530,000	1.54%	\$ 23,562
RSU No. 61	19,784,308	26.88%	<u>5,318,022</u>
			<u><u>\$ 5,341,584</u></u>

NOTE 7 – RESTRICTED NET ASSETS

The following net assets have been restricted at June 30, 2011 for the following purposes:

Restricted for special revenue funds	\$ 20,932
Restricted for permanent funds	<u>89,320</u>
Total	<u><u>\$ 110,252</u></u>

NOTE 8 – COMMITTED GENERAL FUND EQUITY

At June 30, 2011, the committed fund balance was made up of the following account balances:

General government	\$ 109,660
Public safety:	
Fire department	9,882
Civil emergency preparedness	2,930
Security	5,514
Animal control	263
Public works	350,446
Social services:	
Home Health Visiting Nurses	4,000
Family Crisis	1,100
Tri-County Counseling Service	3,500
PROP	5,800

TOWN OF CASCO, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 8 – COMMITTED GENERAL FUND EQUITY (CONTINUED)

Parks and recreation	22,813
Debt Service	16,460
Unclassified:	
Building maintenance	335
Web site	7,518
GIS	10,397
	<u>\$ 550,618</u>

NOTE 9 - EXPENDITURES OVER APPROPRIATIONS

The following appropriation was overspent at June 30, 2011:

	<u>Excess</u>
General assistance	<u>\$ 3,657</u>
	<u>\$ 3,657</u>

NOTE 10 - PENSION PLAN

International City Management Association Retirement Corporation

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457 and maintained by International City Management Association Retirement Corporation (ICMARC). The plan permits 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.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are solely the property and rights of the participants. All assets are protected by a trust arrangement from any claims on the Town and from any use by the Town other than paying benefits to employees and their beneficiaries in accordance with the plan.

TOWN OF CASCO, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 11 – RISK MANAGEMENT – PARTICIPATION IN A PUBLIC ENTITY RISK POOL

The Town is a member of the Maine Municipal Association – Property and Casualty Pool (“Pool”). The Town pays an annual premium for its property and liability coverage. Under the property coverage portion of the Pool, coverage is provided after the deductible is met, and is based on replacement cost. Under the liability portion of the Pool, coverage is provided after the deductible is met, to \$1,000,000.

NOTE 12 – JOINT VENTURES

The Town is a participant with the Town of Naples in two joint ventures to operate the Lake Region Bulky Waste Facility (LRBWF) and the Casco-Naples Solid Waste Transfer Station (CNTS). On dissolution of the entities, the net assets will be shared equally by Casco and Naples. Other municipalities can obtain joint use rights on a contractual basis. Each entity is governed by the same Advisory Board consisting of: a member of the Board of Selectmen of each municipality; two popularly elected citizens of each municipality; and the respective Town Managers as ex-officio members. The Towns pay appropriate tipping fees for accepted waste delivered to the facilities and are financially responsible for each facilities operation. Complete financial statements for the LRBWF and CNTS are available at the office of each municipality.

NOTE 13 - CONTINGENCIES

The Town participates in numerous State and Federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Town has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2011 may be impaired. In the opinion of the Town, there are no significant contingent liabilities relating to compliance with the rules and regulations; therefore, no provision has been recorded in the accompanying combined financial statements for such contingencies.

NOTE 14 - RESTATEMENT

The general fund, special revenue fund and capital project fund beginning fund balances have been restated as of July 1, 2010 to correct for inaccurate beginning balances.

Required Supplementary Information

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

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

TOWN OF CASCO, MAINE

BUDGETARY COMPARISON SCHEDULE – BUDGETARY BASIS
 BUDGET AND ACTUAL – GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		Positive (Negative)
Budgetary Fund Balance - July 1, Restated	\$ 1,592,085	\$ 1,592,085	\$ 1,592,085	\$ -
Resources (Inflows):				
Taxes:				
Property	6,983,792	6,983,792	6,924,787	(59,005)
Excise	597,500	597,500	566,789	(30,711)
Intergovernmental	365,405	365,405	313,735	(51,670)
Charges for services	242,300	255,828	264,905	9,077
Interest income	51,700	51,700	45,530	(6,170)
Other revenue	119,608	119,608	98,810	(20,798)
Transfers from other funds	220,000	220,000	224,228	4,228
Amounts Available for Appropriation	<u>10,172,390</u>	<u>10,185,918</u>	<u>10,030,869</u>	<u>(155,049)</u>
Charges to Appropriations (Outflows):				
Current:				
General government	750,899	860,085	696,330	163,755
Public safety	400,681	452,863	401,772	51,091
Health and Sanitation	337,350	359,939	322,603	37,336
Public works	648,590	787,381	435,135	352,246
Social services	67,400	81,422	70,679	10,743
Parks and recreation	99,755	128,145	114,764	13,381
County tax	342,423	342,423	342,423	-
Education	5,340,411	5,340,411	5,340,411	-
Unclassified	153,557	188,715	102,220	86,495
Debt Service:				
Principal	211,000	211,000	211,000	-
Interest	24,679	24,679	8,219	16,460
Transfers to other funds	203,560	203,560	203,560	-
Total Charges to Appropriations	<u>8,580,305</u>	<u>8,980,623</u>	<u>8,249,116</u>	<u>731,507</u>
Budgetary Fund Balance - June 30	<u>\$ 1,592,085</u>	<u>\$ 1,205,295</u>	<u>\$ 1,781,753</u>	<u>\$ 576,458</u>
Utilization of undesignated fund balance	\$ -	\$ -	\$ -	\$ -
Utilization of designated fund balance	-	379,924	-	(379,924)
	<u>\$ -</u>	<u>\$ 379,924</u>	<u>\$ -</u>	<u>\$ (379,924)</u>

See accompanying independent auditors report.

Other Supplementary Information

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

- Budgetary Comparison Schedule – Budgetary Basis - Budget and Actual – General Fund Revenues
- Schedule of Departmental Operations – General Fund
- Combining Balance Sheet - Nonmajor Governmental Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds
- Combining Balance Sheet - Nonmajor Special Revenue Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds
- Combining Balance Sheet - Nonmajor Capital Project Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Project Funds
- Combining Balance Sheet - Nonmajor Permanent Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Permanent Funds
- Schedule of General Capital Assets by Function
- Schedule of Changes in General Capital Assets by Function

TOWN OF CASCO, MAINE

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
 BUDGET AND ACTUAL – GENERAL FUND REVENUE
 FOR THE YEAR ENDED JUNE 30, 2011

	Original Budget	Final Budget	Actual Amounts	Variance Positive (Negative)
Resources (Inflows):				
Taxes:				
Property taxes	\$ 6,983,792	\$ 6,983,792	\$ 6,924,787	\$ (59,005)
Auto excise	580,000	580,000	549,173	(30,827)
Boat excise	17,500	17,500	17,616	116
Intergovernmental revenues:				
State revenue sharing	190,000	190,000	155,923	(34,077)
Homestead reimbursement	45,303	45,303	32,888	(12,415)
Highway block grant	56,500	56,500	52,272	(4,228)
Tree growth	17,500	17,500	34,189	16,689
General assistance	45,000	45,000	26,880	(18,120)
Other	11,102	11,102	11,583	481
Charges for services:				
Building permits	25,000	25,000	25,311	311
Plumbing permits	6,100	6,100	5,291	(809)
Other licenses and permits	4,600	4,600	8,508	3,908
Motor vehicle agent fees	12,000	12,000	12,391	391
Dog agent fees	-	-	326	326
Animal welfare fees	-	-	1,850	1,850
Recreational agent fees	2,600	2,600	2,614	14
Administration	-	-	940	940
Public safety	178,000	179,492	185,944	6,452
Parks and recreation	14,000	26,036	21,730	(4,306)
Interest income:				
Tax/lien interest	51,700	51,700	45,530	(6,170)
Miscellaneous revenues:				
Building rentals	40,870	40,870	45,554	4,684
Franchise fee	25,210	25,210	29,491	4,281
Payment in lieu of taxes	4,500	4,500	4,775	275
Misc. other	49,028	49,028	18,990	(30,038)
Transfers from other funds	220,000	220,000	224,228	4,228
Amounts Available for Appropriation	<u>\$ 8,580,305</u>	<u>\$ 8,593,833</u>	<u>\$ 8,438,784</u>	<u>\$ (155,049)</u>

See accompanying independent auditors' report.

TOWN OF CASCO, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2011

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Lapsed	Carried
GENERAL GOVERNMENT						
Operations	\$ 117,430	\$ -	\$ 117,430	\$ 115,359	\$ -	\$ 2,071
Salaries	323,976	-	323,976	300,760	23,216	-
Contingency	15,000	-	15,000	5,000	-	10,000
Insurance	141,500	-	141,500	131,874	884	8,742
Legal fees	15,000	19,326	34,326	11,545	12,781	10,000
Assessing	46,473	-	46,473	46,193	280	-
Planning/appeals	23,378	-	23,378	13,903	3,369	6,106
Comprehensive plan implem.	-	16,130	16,130	65	10,065	6,000
Open space	3,500	5,719	9,219	3,544	3,500	2,175
Route 302 corridor study	-	3,000	3,000	-	-	3,000
Retirement	56,142	13,706	69,848	59,176	-	10,672
Employee benefit liability	-	39,766	39,766	2,952	-	36,814
Unemployment	8,500	11,539	20,039	5,959	-	14,080
Totals	750,899	109,186	860,085	696,330	54,095	109,660
PUBLIC SAFETY						
Fire department	184,775	36,269	221,044	217,256	(6,094)	9,882
Rescue	185,822	8,893	194,715	160,726	33,989	-
Civil emergency preparedness	3,350	1,506	4,856	1,926	-	2,930
Security	-	5,514	5,514	-	-	5,514
Animal control	11,645	-	11,645	10,788	594	263
Street lights	15,089	-	15,089	11,076	4,013	-
Totals	400,681	52,182	452,863	401,772	32,502	18,589
HEALTH & SANITATION						
Bulky waste	100,000	22,589	122,589	100,000	22,589	-
Casco Naples Transfer Station	237,350	-	237,350	222,603	14,747	-
Totals	337,350	22,589	359,939	322,603	37,336	-

TOWN OF CASCO, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual Expenditures</u>	<u>Lapsed</u>	<u>Carried</u>
PUBLIC WORKS						
Road maintenance	310,000	6,650	316,650	91,085	-	225,565
Winter roads	335,990	20,000	355,990	326,342	-	29,648
Paving	-	112,141	112,141	16,908	-	95,233
Private road maintenance	2,600	-	2,600	800	1,800	-
Totals	<u>648,590</u>	<u>138,791</u>	<u>787,381</u>	<u>435,135</u>	<u>1,800</u>	<u>350,446</u>
SOCIAL SERVICES						
General assistance	48,000	-	48,000	51,657	(3,657)	-
Fuel fund	-	11,522	11,522	11,522	-	-
Soup kitchen	-	2,500	2,500	2,500	-	-
Home Health Visiting Nurses	4,000	-	4,000	-	-	4,000
VNA Home Health	500	-	500	500	-	-
Family Crisis	1,100	-	1,100	-	-	1,100
Tri-County Counseling Service	3,500	-	3,500	-	-	3,500
PROP	5,800	-	5,800	-	-	5,800
Meal Site	4,200	-	4,200	4,200	-	-
Memorial Day	300	-	300	300	-	-
Totals	<u>67,400</u>	<u>14,022</u>	<u>81,422</u>	<u>70,679</u>	<u>(3,657)</u>	<u>14,400</u>
PARKS & RECREATION						
	<u>99,755</u>	<u>28,390</u>	<u>128,145</u>	<u>114,764</u>	<u>(9,432)</u>	<u>22,813</u>
DEBT SERVICE						
Principal	211,000	-	211,000	211,000	-	-
Interest	24,679	-	24,679	8,219	-	16,460
Totals	<u>235,679</u>	<u>-</u>	<u>235,679</u>	<u>219,219</u>	<u>-</u>	<u>16,460</u>
COUNTY TAX						
	<u>342,423</u>	<u>-</u>	<u>342,423</u>	<u>342,423</u>	<u>-</u>	<u>-</u>

TOWN OF CASCO, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual Expenditures</u>	<u>Lapsed</u>	<u>Carried</u>
EDUCATION	5,340,411	-	5,340,411	5,340,411	-	-
UNCLASSIFIED						
GP Council of Govts.	3,122	-	3,122	3,122	-	-
Maine Municipal Assoc.	4,008	-	4,008	4,008	-	-
Building maintenance	15,000	3,953	18,953	18,618	-	335
Grange Hall	-	11,365	11,365	8,625	2,740	-
Library	39,400	-	39,400	39,400	-	-
Pleasant Lk/Parker Pd Assoc	4,000	-	4,000	4,000	-	-
Thompson Lake Environ. Ac.	2,500	-	2,500	2,500	-	-
Raymond-Casco Hist. Soc.	1,800	-	1,800	1,800	-	-
Crescent Lk Watershed Assoc.	1,000	-	1,000	1,000	-	-
Lake Region Television	2,000	-	2,000	2,000	-	-
Bridgton LR Chamb. of Comm.	1,250	-	1,250	1,250	-	-
Web site	-	8,193	8,193	675	-	7,518
GIS	-	11,647	11,647	850	400	10,397
Overlay	79,477	-	79,477	14,372	65,105	-
Totals	<u>153,557</u>	<u>35,158</u>	<u>188,715</u>	<u>102,220</u>	<u>68,245</u>	<u>18,250</u>
TRANSFERS OUT						
Rescue equipment reserve	40,000	-	40,000	40,000	-	-
Tax equalization	10,000	-	10,000	10,000	-	-
Road reserve	75,000	-	75,000	75,000	-	-
Pipeline TIF	78,560	-	78,560	78,560	-	-
Totals	<u>203,560</u>	<u>-</u>	<u>203,560</u>	<u>203,560</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ 8,580,305</u>	<u>\$ 400,318</u>	<u>\$ 8,980,623</u>	<u>\$ 8,249,116</u>	<u>\$ 180,889</u>	<u>\$ 550,618</u>

See accompanying independent auditors' report.

TOWN OF CASCO, MAINE

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011

	Special Revenue Funds	Capital Project Funds	Permanent Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash	\$ 42,438	\$ 59,017	\$ 84,031	\$ 185,486
Accounts receivable (net of allowance)	-	-	-	-
Due from other funds	216,826	495,488	5,289	717,603
Total assets	<u>\$ 259,264</u>	<u>\$ 554,505</u>	<u>\$ 89,320</u>	<u>\$ 903,089</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	34,987	-	34,987
Total liabilities	<u>-</u>	<u>34,987</u>	<u>-</u>	<u>34,987</u>
FUND EQUITY				
Fund balances:				
Restricted	20,932	-	89,320	110,252
Committed	126,932	487,157	-	614,089
Assigned	111,400	36,672	-	148,072
Unassigned	-	(4,311)	-	(4,311)
Total fund equity	<u>259,264</u>	<u>519,518</u>	<u>89,320</u>	<u>868,102</u>
Total liabilities and fund equity	<u>\$ 259,264</u>	<u>\$ 554,505</u>	<u>\$ 89,320</u>	<u>\$ 903,089</u>

See accompanying independent auditors' report.

TOWN OF CASCO, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES – NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

	Special Revenue Funds	Capital Project Funds	Permanent Funds	Total Nonmajor Governmental Funds
REVENUES	\$ 4,083	\$ 32,095	\$ 159	\$ 36,337
EXPENDITURES	-	280,400	-	280,400
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	4,083	(248,305)	159	(244,063)
OTHER FINANCING SOURCES (USES)				
Operating Transfers In	88,560	115,000	-	203,560
Operating Transfers (Out)	(224,228)	-	-	(224,228)
TOTAL OTHER FINANCING SOURCES (USES)	(135,668)	115,000	-	(20,668)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES)	(131,585)	(133,305)	159	(264,731)
FUND BALANCE - JULY 1	535,149	594,757	89,161	1,219,067
RESTATEMENT	(144,300)	58,066	-	(86,234)
FUND BALANCE - JULY 1, RESTATED	390,849	652,823	89,161	1,132,833
FUND BALANCE - JUNE 30	\$ 259,264	\$ 519,518	\$ 89,320	\$ 868,102

See accompanying independent auditors' report.

Special Revenue Funds

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

TOWN OF CASCO, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2011

	<u>Revenue Sharing</u>	<u>Municipal Revenue</u>	<u>URIP</u>	<u>Firefighter Fund</u>	<u>Pipeline TIF</u>	<u>Land Futures</u>
ASSETS						
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,328
Accounts receivable	-	-	-	-	-	-
Due from other funds	-	-	16,932	3,095	86,938	-
TOTAL ASSETS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,932</u>	<u>\$ 3,095</u>	<u>\$ 86,938</u>	<u>\$ 40,328</u>
 LIABILITIES AND FUND EQUITY						
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 FUND EQUITY						
Fund Balance:						
Restricted	-	-	16,932	-	-	-
Committed	-	-	-	-	86,938	-
Assigned	-	-	-	3,095	-	40,328
TOTAL FUND EQUITY	<u>-</u>	<u>-</u>	<u>16,932</u>	<u>3,095</u>	<u>86,938</u>	<u>40,328</u>
 TOTAL LIABILITIES AND FUND EQUITY	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 16,932</u>	 <u>\$ 3,095</u>	 <u>\$ 86,938</u>	 <u>\$ 40,328</u>

TOWN OF CASCO, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2011

	<u>Plummer Park</u>	<u>Recreation</u>	<u>Veterans' Funds</u>	<u>Tax Equalization</u>	<u>Sun Safety</u>	<u>Totals</u>
ASSETS						
Cash	\$ -	\$ -	\$ 2,110	\$ -	\$ -	\$ 42,438
Accounts receivable	-	-	-	-	-	-
Due from other funds	6,092	59,775	-	39,994	4,000	216,826
TOTAL ASSETS	<u>\$ 6,092</u>	<u>\$ 59,775</u>	<u>\$ 2,110</u>	<u>\$ 39,994</u>	<u>\$ 4,000</u>	<u>\$ 259,264</u>
 LIABILITIES AND FUND EQUITY						
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 FUND EQUITY						
Fund Balance:						
Restricted	-	-	-	-	4,000	20,932
Committed	-	-	-	39,994	-	126,932
Assigned	6,092	59,775	2,110	-	-	111,400
TOTAL FUND EQUITY	<u>6,092</u>	<u>59,775</u>	<u>2,110</u>	<u>39,994</u>	<u>4,000</u>	<u>259,264</u>
 TOTAL LIABILITIES AND FUND EQUITY	 <u>\$ 6,092</u>	 <u>\$ 59,775</u>	 <u>\$ 2,110</u>	 <u>\$ 39,994</u>	 <u>\$ 4,000</u>	 <u>\$ 259,264</u>

See accompanying independent auditors' report.

TOWN OF CASCO, MAINE

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

	Revenue Sharing	Municipal Revenue	URIP	Firefighter Fund	Pipeline TIF	Land Futures
REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 77
EXPENDITURES	-	-	-	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-	-	77
OTHER FINANCING SOURCES (USES)						
Operating Transfers In	-	-	-	-	78,560	-
Operating Transfers (Out)	-	-	(54,228)	-	(170,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(54,228)	-	(91,440)	-
EXCESS OF REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	-	-	(54,228)	-	(91,440)	77
FUND BALANCE - JULY 1	(9,133)	100,356	71,160	3,095	178,378	160,252
RESTATEMENT	9,133	(100,356)	-	-	-	(120,001)
FUND BALANCE - JULY 1, RESTATED	-	-	71,160	3,095	178,378	40,251
FUND BALANCE - JUNE 30	\$ -	\$ -	\$ 16,932	\$ 3,095	\$ 86,938	\$ 40,328

TOWN OF CASCO, MAINE

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Plummer Park</u>	<u>Recreation</u>	<u>Veterans' Funds</u>	<u>Tax Equalization</u>	<u>Sun Safety</u>	<u>Totals</u>
REVENUES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6</u>	<u>\$ -</u>	<u>\$ 4,000</u>	<u>\$ 4,083</u>
EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>6</u>	<u>-</u>	<u>4,000</u>	<u>4,083</u>
OTHER FINANCING SOURCES (USES)						
Operating Transfers In	-	-	-	10,000	-	88,560
Operating Transfers (Out)	-	-	-	-	-	(224,228)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>(135,668)</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>6</u>	<u>10,000</u>	<u>4,000</u>	<u>(131,585)</u>
FUND BALANCE - JULY 1	6,092	22,845	2,104	-	-	535,149
RESTATEMENT	-	36,930	-	29,994	-	(144,300)
FUND BALANCE - JULY 1, RESTATED	<u>6,092</u>	<u>59,775</u>	<u>2,104</u>	<u>29,994</u>	<u>-</u>	<u>390,849</u>
FUND BALANCE - JUNE 30	<u>\$ 6,092</u>	<u>\$ 59,775</u>	<u>\$ 2,110</u>	<u>\$ 39,994</u>	<u>\$ 4,000</u>	<u>\$ 259,264</u>

See accompanying independent auditors' report.

Capital Project Funds

Capital projects funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds.

TOWN OF CASCO, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECT FUNDS
JUNE 30, 2011

	<u>Rescue Replacement</u>	<u>Community Center Kitchen</u>	<u>Tank 6 Retrofit</u>	<u>Future Land Acquisition</u>	<u>Ladder Truck Repairs</u>	<u>Municipal Building Repairs</u>	<u>Public Safety Building</u>
ASSETS							
Cash	\$ 55,292	\$ 3,725	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	-	-	-	120,000	25,376	-	35,000
TOTAL ASSETS	<u>\$ 55,292</u>	<u>\$ 3,725</u>	<u>\$ -</u>	<u>\$ 120,000</u>	<u>\$ 25,376</u>	<u>\$ -</u>	<u>\$ 35,000</u>
LIABILITIES AND FUND EQUITY							
LIABILITIES							
Due to other funds	\$ 26,951	\$ 8,036	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL LIABILITIES	<u>26,951</u>	<u>8,036</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND EQUITY							
Fund Balance:							
Committed	28,341	-	-	120,000	25,376	-	35,000
Assigned	-	-	-	-	-	-	-
Unassigned	-	(4,311)	-	-	-	-	-
TOTAL FUND EQUITY	<u>28,341</u>	<u>(4,311)</u>	<u>-</u>	<u>120,000</u>	<u>25,376</u>	<u>-</u>	<u>35,000</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 55,292</u>	<u>\$ 3,725</u>	<u>\$ -</u>	<u>\$ 120,000</u>	<u>\$ 25,376</u>	<u>\$ -</u>	<u>\$ 35,000</u>

TOWN OF CASCO, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECT FUNDS
 JUNE 30, 2011

	<u>Capital Improvements</u>	<u>Highway Improvement</u>	<u>Fire Equipment</u>	<u>Fire Truck Pumper</u>	<u>Tennis Courts</u>	<u>Grange Hall</u>
ASSETS						
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	32,234	-	52,974	-	4,690	15,000
TOTAL ASSETS	<u>\$ 32,234</u>	<u>\$ -</u>	<u>\$ 52,974</u>	<u>\$ -</u>	<u>\$ 4,690</u>	<u>\$ 15,000</u>
LIABILITIES AND FUND EQUITY						
LIABILITIES						
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND EQUITY						
Fund Balance:						
Committed	32,234	-	52,974	-	-	-
Assigned	-	-	-	-	4,690	15,000
Unassigned	-	-	-	-	-	-
TOTAL FUND EQUITY	<u>32,234</u>	<u>-</u>	<u>52,974</u>	<u>-</u>	<u>4,690</u>	<u>15,000</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 32,234</u>	<u>\$ -</u>	<u>\$ 52,974</u>	<u>\$ -</u>	<u>\$ 4,690</u>	<u>\$ 15,000</u>

TOWN OF CASCO, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECT FUNDS
 JUNE 30, 2011

	<u>Road Improvements</u>	<u>Municipal Equipment</u>	<u>Community Center</u>	<u>Memorial School</u>	<u>Town Hall</u>	<u>Totals</u>
ASSETS						
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 59,017
Due from other funds	161,939	5,000	1,682	15,300	26,293	495,488
TOTAL ASSETS	<u>\$ 161,939</u>	<u>\$ 5,000</u>	<u>\$ 1,682</u>	<u>\$ 15,300</u>	<u>\$ 26,293</u>	<u>\$ 554,505</u>
LIABILITIES AND FUND EQUITY						
LIABILITIES						
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,987
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,987</u>
FUND EQUITY						
Fund Balance:						
Committed	161,939	5,000	-	-	26,293	487,157
Assigned	-	-	1,682	15,300	-	36,672
Unassigned	-	-	-	-	-	(4,311)
TOTAL FUND EQUITY	<u>161,939</u>	<u>5,000</u>	<u>1,682</u>	<u>15,300</u>	<u>26,293</u>	<u>519,518</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 161,939</u>	<u>\$ 5,000</u>	<u>\$ 1,682</u>	<u>\$ 15,300</u>	<u>\$ 26,293</u>	<u>\$ 554,505</u>

See accompanying independent auditors' report.

TOWN OF CASCO, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECT FUNDS
 FOR THE YEAR ENDED JUNE 30, 2011

	Rescue Replacement	Community Center Kitchen	Tank 6 Retrofit	Future Land Acquisition	Ladder Truck Repairs	Municipal Building Repairs	Public Safety Building
REVENUES	\$ 105	\$ 25,490	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENDITURES	133,029	33,517	-	-	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(132,924)	(8,027)	-	-	-	-	-
OTHER FINANCING SOURCES (USES)							
Operating Transfers In	40,000	-	-	-	-	-	-
Operating Transfers (Out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	40,000	-	-	-	-	-	-
EXCESS OF REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	(92,924)	(8,027)	-	-	-	-	-
FUND BALANCE - JULY 1	121,265	3,716	2,000	23,000	25,376	75,099	43,236
RESTATEMENT	-	-	(2,000)	97,000	-	(75,099)	(8,236)
FUND BALANCE - JULY 1, RESTATED	121,265	3,716	-	120,000	25,376	-	35,000
FUND BALANCE - JUNE 30	<u>\$ 28,341</u>	<u>\$ (4,311)</u>	<u>\$ -</u>	<u>\$ 120,000</u>	<u>\$ 25,376</u>	<u>\$ -</u>	<u>\$ 35,000</u>

TOWN OF CASCO, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Capital Improvements</u>	<u>Highway Improvement</u>	<u>Fire Equipment</u>	<u>Fire Truck Pumper</u>	<u>Tennis Courts</u>	<u>Grange Hall</u>
REVENUES	\$ -	\$ -	\$ 6,500	\$ -	\$ -	\$ -
EXPENDITURES	-	-	22,952	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(16,452)	-	-	-
OTHER FINANCING SOURCES (USES)						
Operating Transfers In	-	-	-	-	-	-
Operating Transfers (Out)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-
EXCESS OF REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	-	-	(16,452)	-	-	-
FUND BALANCE - JULY 1	32,234	7,500	60,000	7,000	4,690	15,000
RESTATEMENT	-	(7,500)	9,426	(7,000)	-	-
FUND BALANCE - JULY 1, RESTATED	32,234	-	69,426	-	4,690	15,000
FUND BALANCE - JUNE 30	<u>\$ 32,234</u>	<u>\$ -</u>	<u>\$ 52,974</u>	<u>\$ -</u>	<u>\$ 4,690</u>	<u>\$ 15,000</u>

TOWN OF CASCO, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECT FUNDS
 FOR THE YEAR ENDED JUNE 30, 2011

	<u>Road Improvements</u>	<u>Municipal Equipment</u>	<u>Community Center</u>	<u>Memorial School</u>	<u>Town Hall</u>	<u>Totals</u>
REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,095
EXPENDITURES	85,202	-	1,000	4,700	-	280,400
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(85,202)	-	(1,000)	(4,700)	-	(248,305)
OTHER FINANCING SOURCES (USES)						
Operating Transfers In	75,000	-	-	-	-	115,000
Operating Transfers (Out)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	75,000	-	-	-	-	115,000
EXCESS OF REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	(10,202)	-	(1,000)	(4,700)	-	(133,305)
FUND BALANCE - JULY 1	164,641	10,000	-	-	-	594,757
RESTATEMENT	7,500	(5,000)	2,682	20,000	26,293	58,066
FUND BALANCE - JULY 1, RESTATED	172,141	5,000	2,682	20,000	26,293	652,823
FUND BALANCE - JUNE 30	<u>\$ 161,939</u>	<u>\$ 5,000</u>	<u>\$ 1,682</u>	<u>\$ 15,300</u>	<u>\$ 26,293</u>	<u>\$ 519,518</u>

See accompanying independent auditors' report.

Permanent Funds

To account for assets held by the Town of Casco in trust or as an agent for individuals, private organizations, other governmental units and/or other funds.

TOWN OF CASCO, MAINE

COMBINING BALANCE SHEET - NONMAJOR PERMANENT FUNDS
JUNE 30, 2011

	Cemetery Fund	Cyrus Mayberry Road/School	Total
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash	\$ 21,900	\$ 62,131	\$ 84,031
Due from other funds	5,289	-	5,289
TOTAL ASSETS	<u>\$ 27,189</u>	<u>\$ 62,131</u>	<u>\$ 89,320</u>
LIABILITIES AND FUND EQUITY			
LIABILITIES			
Due to others funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>
FUND EQUITY			
Fund Balance			
Restricted	<u>27,189</u>	<u>62,131</u>	<u>89,320</u>
TOTAL FUND EQUITY	<u>27,189</u>	<u>62,131</u>	<u>89,320</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 27,189</u>	<u>\$ 62,131</u>	<u>\$ 89,320</u>

See accompanying independent auditors' report.

TOWN OF CASCO, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR PERMANENT FUNDS
 FOR THE YEAR ENDED JUNE 30, 2011

	Cemetery Fund	Cyrus Mayberry Road/School	Total
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Investment income	\$ 41	\$ 118	\$ 159
Other income	-	-	-
TOTAL REVENUE	<u>41</u>	<u>118</u>	<u>159</u>
EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>41</u>	<u>118</u>	<u>159</u>
OTHER FINANCING SOURCES (USES)			
Operating Transfers In	-	-	-
Operating Transfers (Out)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	41	118	159
FUND BALANCE - JULY 1	<u>27,148</u>	<u>62,013</u>	<u>89,161</u>
FUND BALANCE - JUNE 30	<u>\$ 27,189</u>	<u>\$ 62,131</u>	<u>\$ 89,320</u>

See accompanying independent auditors' report.

General Capital Assets

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

TOWN OF CASCO, MAINE

SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION
 JUNE 30, 2011

	Land and Non-depreciable Assets	Buildings and Improvements	Machinery, Equipment & Vehicles	Infrastructure	Total
General Government	\$ -	\$ 187,599	\$ 179,534	\$ -	\$ 367,133
Public Safety	-	350,000	2,238,418	-	2,588,418
Public Works	-	146,900	41,477	85,202	273,579
Waste Management	-	820,000	130,000	-	950,000
Parks & Recreation	219,000	576,349	-	-	795,349
Total General Capital Assets	219,000	2,080,848	2,589,429	85,202	4,974,479
Less: Accumulated Depreciation	-	(789,774)	(2,147,895)	-	(2,937,669)
Net General Capital Assets	\$ 219,000	\$ 1,291,074	\$ 441,534	\$ 85,202	\$ 2,036,810

See accompanying independent auditors' report.

TOWN OF CASCO, MAINE

SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS BY FUNCTION
FOR THE YEAR ENDED JUNE 30, 2011

	General Capital Assets 7/1/10	Additions	Deletions	General Capital Assets 6/30/11
General Government	\$ 367,133	\$ -	\$ -	\$ 367,133
Public Safety	2,561,389	133,029	(106,000)	2,588,418
Public Works	188,377	85,202	-	273,579
Waste Management	950,000	-	-	950,000
Parks & Recreation	795,349	-	-	795,349
	<u>4,862,248</u>	<u>218,231</u>	<u>(106,000)</u>	<u>4,974,479</u>
Total General Capital Assets	4,862,248	218,231	(106,000)	4,974,479
Less: Accumulated Depreciation	<u>(2,802,342)</u>	<u>(241,327)</u>	<u>106,000</u>	<u>(2,937,669)</u>
Net General Capital Assets	<u>\$ 2,059,906</u>	<u>\$ (23,096)</u>	<u>\$ -</u>	<u>\$ 2,036,810</u>

See accompanying independent auditors' report.