

**Financial Statements**

**Town of Casco, Maine**

**June 30, 2009**

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# Town of Casco, Maine

June 30, 2009

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## **Independent Auditors' Report**

**To the Selectboard  
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, 2009, 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's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with United States generally accepted auditing standards. 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 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 opinion.

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, 2009, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparison for the General Fund, thereof and for the year then ended, in conformity with United States generally accepted accounting principles.

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 United States generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

*Purdy Powers + Company*  
Professional Association

**Portland, Maine  
December 9, 2009**



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## **Management's Discussion and Analysis**

As Town Manager / Treasurer of the Town of Casco, I offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2009. Please read it in conjunction with the Town's financial statements, which begin on page 3.

## **Using this Annual Report**

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 3-4) provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Fund financial statements start on page 5. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds. The remaining statements provide financial information about activities for which the Town acts solely as a trustee or agent for the benefit of those outside of the government.

## **Reporting the Town as a Whole**

### **The Statement of Net Assets and the Statement of Activities**

The analysis of the Town as a whole begins on the next page. One of the most important questions asked about the Town's finances is, "Is the Town as a whole, better off or worse off as a result of the year's activities?" the Statement of Net Assets and the Statement of Activities report information about the Town as a whole and about its activities in a way that helps answer this question. These statements include *all* assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.



These two statements report the Town's net assets and changes in them. You can think of the Town's net assets-the difference between assets and liabilities-as one way to measure the Town's financial health, or financial position. Over time, increases or decreases in the Town's net assets are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the Town's property tax base and the condition of the Town's roads, to assess the overall health of the Town.

In the Statement of Net Assets and the Statement of Activities, we divide the Town into its government activities explained as follows:

- Governmental activities-Most of the Town's basic services are reported here, including the general administration, streets, parks, ambulance and fire. Property tax, excise taxes, registration fees, franchise fees, fines, and state and federal grants finance most of these activities.

### **Reporting the Town's Most Significant Funds Fund Financial Statements**

Our analysis of the Town's major funds begins with the fund financial statements on page 6 and provides detailed information about the most significant funds-not the Town as a whole. Some funds are required to be established by State law. However, the Town Selectmen establish many other funds to help control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money.

- Governmental funds - Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in reconciliation at the bottom of the fund financial statements.

### **The Town as Trustee**

#### **Reporting the Town's Fiduciary Responsibilities**

We exclude these activities from the Town's other financial statements because the Town cannot use these assets to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

## THE TOWN AS A WHOLE

For the year ended June 30, 2009, net assets changed as follows:

	<b>Governmental Activities</b>	
	<i><b>FY 2009</b></i>	<i><b>FY 2008</b></i>
Beginning net assets	\$ 4,320,746	\$ 3,817,380
Prior period adjustment	12,796	
Increase (Decrease) in net assets	<u>581,686</u>	<u>503,366</u>
Ending net assets	<u>\$ 4,915,228</u>	<u>\$ 4,320,746</u>

That reflects an increase of approximately 13% for governmental activities.

### Governmental Activities

To aid in the understanding of the Statement of Activities some additional explanation is given. Of particular interest is the format that is significantly different than a typical Statement of Revenues, Expenses, and Changes in Fund Balance. You will notice that expenses are listed in the first column with revenues from that particular program reported to the right. The result is a Net (Expense) Revenue. The reason for this kind of format is to highlight the relative financial burden of each of the functions on the Town's taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing through fees and grants. Some of the individual line item revenues reported for each function are:

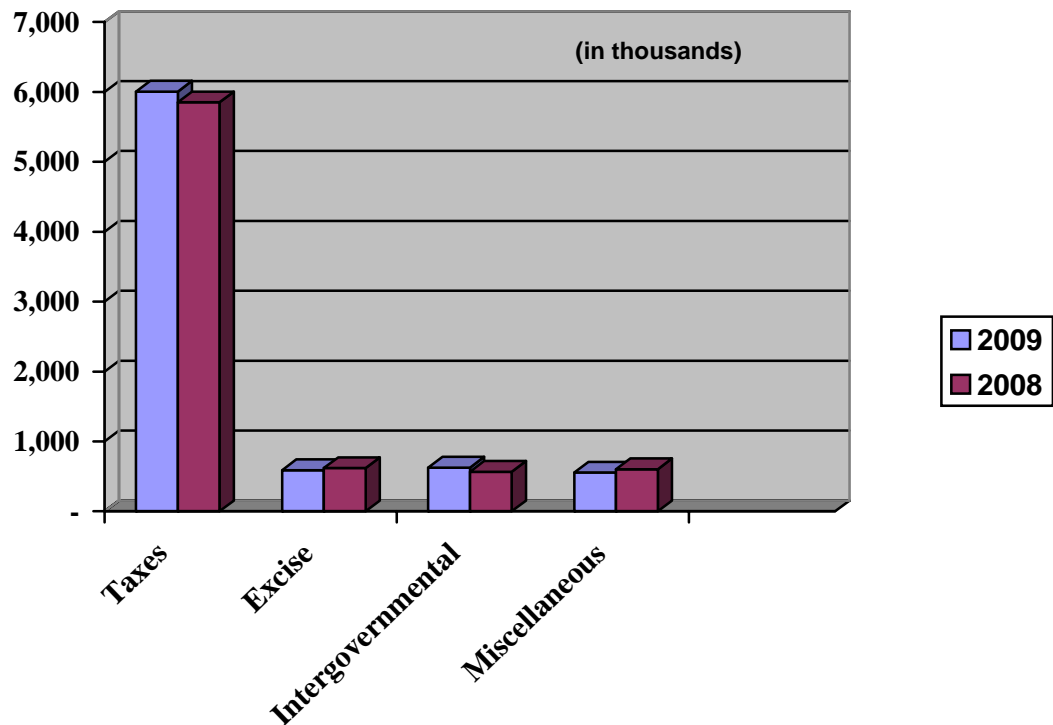
General government	Building permits town clerk fees, license plate fees, land use ordinance fees, and plumbing permits.
Public services	Recreation and library fees, and State general assistance reimbursements.
Public safety	Fire special details, court reimbursements, grants are categorized as operating grants.
Public Works	State highway aid grant.

All other governmental revenues are reported as miscellaneous. It is important to note that all taxes are classified as general revenue even if restricted for a specific purpose.

## THE TOWN'S FUNDS

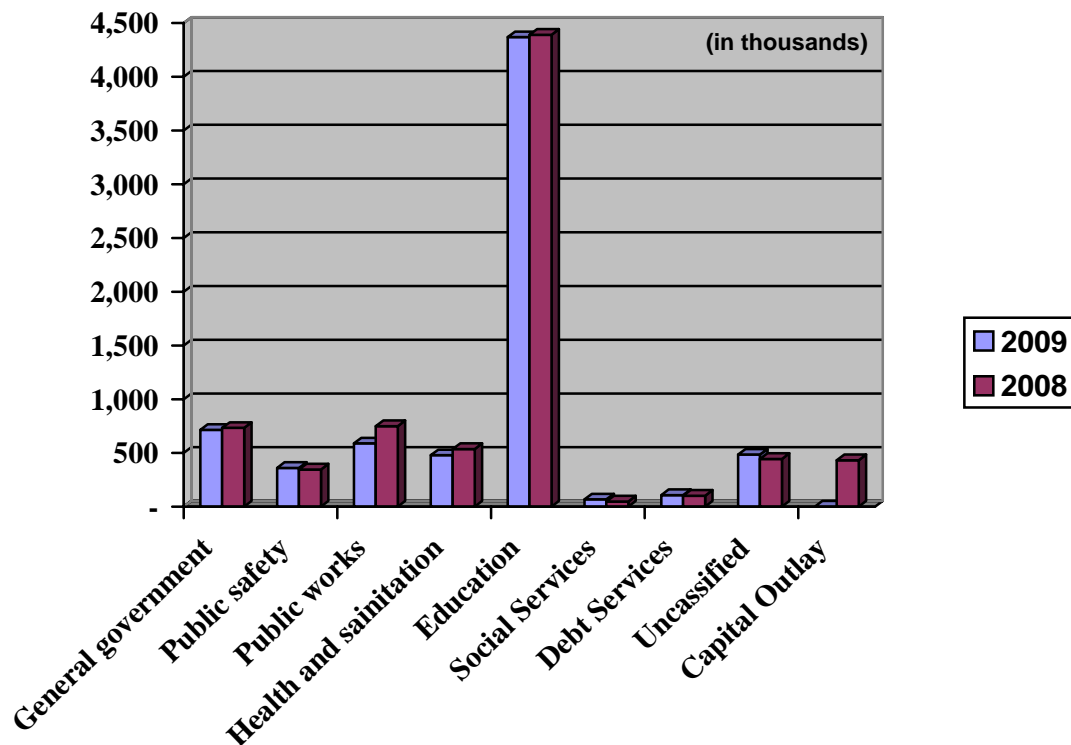
The following schedule presents a summary of general fund revenues and expenditures for the fiscal year ended June 30, 2009, and the amount and percentage of increases and decreases in relation to the prior year.

<i><u>Revenue</u></i>	<i><u>FY 2009</u></i> <i><u>Amount</u></i>	<i><u>FY 2008</u></i> <i><u>Amount</u></i>	<i><u>Increase</u></i> <i><u>(Decrease)</u></i> <i><u>from FY 2008</u></i>	<i><u>%</u></i> <i><u>Increase</u></i> <i><u>(Decrease)</u></i>
<i><b>Property Taxes</b></i>	\$ 6,005,685	\$ 5,851,315	\$ 154,370	3%
<i><b>Excise Taxes</b></i>	587,414	617,790	(30,376)	(5%)
<i><b>Intergovernmental</b></i>	624,769	566,932	57,837	10%
<i><b>Miscellaneous</b></i>	<u>554,422</u>	<u>602,628</u>	<u>(48,206)</u>	<u>(8%)</u>
<i><b>Total Revenue</b></i>	<u>\$ 7,772,290</u>	<u>\$ 7,638,665</u>	<u>\$ 133,625</u>	<u>2%</u>



Town revenues are in decline which is reflective of the overall economy. Intergovernmental revenues are up because of a deferred payment received for disaster relief from the 2007 Patriot's Day storm. With little growth in town valuation and declining revenues the only source for funding available to the town are property taxes. With reductions in State programs tax payers should expect a greater demand on local property tax as the burden for program support shifts from the State to local responsibility.

<u>Expenditures</u>	<u>FY 2009</u> <u>Amount</u>	<u>FY 2008</u> <u>Amount</u>	<u>Increase</u> <u>(Decrease)</u> <u>from FY 2008</u>	<u>%</u> <u>Increase</u> <u>(Decrease)</u>
<i>General government</i>	\$ 715,311	\$ 734,473	\$ (19,162)	(3%)
<i>Public safety</i>	359,679	345,696	13,983	4%
<i>Public works</i>	587,733	750,444	(162,711)	(22%)
<i>Health and sanitation</i>	477,900	535,355	(57,455)	(11%)
<i>Education</i>	4,367,114	4,389,259	(22,145)	(1%)
<i>Social services</i>	66,727	48,461	18,266	38%
<i>Debt service</i>	107,600	101,038	6,562	6%
<i>Capital Outlay</i>	-	431,642	(431,642)	(100%)
<i>Unclassified</i>	483,714	442,655	41,059	9%
<b>Total Expenditures</b>	<u>\$ 7,165,778</u>	<u>\$ 7,779,023</u>	<u>\$ (613,245)</u>	<u>(8%)</u>



The Town has made a strong effort to reduce local spending to alleviate burdens on the local tax payer. The School district worked hard to produce a very conservative budget. This trend cannot continue without severe consequences to or elimination of municipal and educational services. Reduction in State support for education, highways, and social services will result in added burden for local property tax payers.

## GENERAL FUND BUDGETARY HIGHLIGHTS

The Town of Casco continues to maintain a healthy fund balance allowing the Town to function without the need to borrow funds in anticipation of taxes, thus saving the tax payer dollars. The fund balance is overseen by the Board of Selectmen. The balance is determined by formula. The Town has utilized these funds in the past for emergency appropriations and other required appropriations outside of the normal tax commitment time table.

## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets

At the end of June 30, 2009, the Town had \$4.34 million invested in capital assets including fire equipment, buildings, and park facilities. (See table below)

	<b>Governmental Activities</b>	
	<u>2009</u>	<u>2008</u>
Land and improvements	\$ 219,000	\$ 219,000
Buildings and improvements	1,534,499	1,534,499
Vehicles and equipment	2,467,400	2,021,586
Intellectual property	<u>120,000</u>	<u>120,000</u>
TOTALS	<u>\$ 4,340,899</u>	<u>\$ 3,895,085</u>

Changes in vehicle and equipment reflect increased investment in Fire and rescue services.

### Debt

At year-end, the Town had \$315,000 in outstanding bonds and capital leases compared to \$405,000 last year. That is a decrease of 22.2% as shown in the following table:

	<b>Governmental Activities</b>		<b>Increase</b>
	<u>2009</u>	<u>2008</u>	<u>(Decrease)</u>
General obligation bond	<u>\$ 315,000</u>	<u>\$ 405,000</u>	<u>\$ (90,000)</u>

The Town is paying down the bonds for fire station improvements and the purchase of engine 12 and two rescue vehicles. In 2010 the Town will add to debt the cost of bonds for five years for the Community Center Project.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

A number of issues internal and external to the Town of Casco will affect the Town of Casco budget and resulting tax rate in the next few years. Casco voters will have a responsibility to locally decide many of the future financial and planning decisions that will face our community. In some instances the very ability of the local Town Meeting to decide local financial and planning decisions will be at issue. External political issues including efforts to govern by referendum are a reoccurring theme in the arena of State politics today. Voters should be aware that governance by referendum may affect the ability of local voters to make decisions locally for their community. Governance by referendum is not an issue of good or bad, rather an issue of cause and effect. Voters should make a careful study of each issue as they arise and determine what is in their best interests and the interests of their communities.

Locally Voters have approved repairs to the Casco Community Center in an amount not to exceed \$530,000. The project will be completed in the early winter of 2010. A local community group has pledged to raise an amount of \$80,000 to reduce the impact to future town budgets.

The Board of Selectmen is still grappling with the future of the former Casco Memorial School. The property has been returned to the Town by S.A.D. 61. A proposal for use of the building for town offices has been discussed; no plans, costs or timelines for the Memorial School property have been established. Educational costs continue to be a challenge for the Town of Casco. The S.A.D. 61 administration and school board continue to work diligently to hold budget lines and create efficiencies wherever possible in our educational systems. Changes in State policy and funding mechanisms have created a scenario where the S.A.D. 61 continues to lose State Aid to Education thus shifting the tax load to local property tax. The reduction in State Aid to our district, coupled with the increase in property values in the Lakes Region has resulted in a tremendous loss of revenue. As a result in the loss of educational revenues, the taxpayers can expect to see the property tax burden increase in order to continue to provide quality educational opportunities for our children.

Central to the issue of taxes, the budget, and town infrastructure, is the overall economy. The Town is attempting to hold the line on property taxes which necessitates zero increase budgets and in some instances decreased budgets. The inability to adequately invest in our infrastructure such as buildings, roads, and paving will result in a deterioration of those assets over time, and a greater need for financial resources in the future. In the current case of a declining regional, state and national economy, the Town is not realizing an increase in its base value, thus resulting in no increase in funds available to invest in municipal programs without consideration of a tax increase.

## **CONTACTING THE TOWN'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, 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, visit the Town Office or call 627-4515.

## Statement of Net Assets

### Town of Casco, Maine

As of June 30, 2009

	Governmental Activities
<b>Assets</b>	
Cash	\$ 2,832,724
Taxes receivable	461,358
Tax liens receivable	262,037
Accounts receivable	80,768
Tax acquired property	37,995
Prepaid expenses	6,246
Capital assets, net of accumulated depreciation	1,709,200
<b>Total Assets</b>	<b>5,390,328</b>
<b>Liabilities</b>	
Accounts payable	88,584
Accrued interest payable	6,234
Taxes paid in advance	1,054
Deferred revenues	4,022
Escrow accounts payable	1,080
Due to other governments	10,708
Long-term liabilities:	
Portion due or payable within one year:	
Bond payable	100,000
Accrued compensated absences	25,230
Portion due or payable after one year:	
Bond payable	215,000
Accrued compensated absences	23,188
<b>Total Liabilities</b>	<b>475,100</b>
<b>Net Assets</b>	
Invested in capital assets, net of related debt	1,394,200
Restricted	13,310
Unrestricted	3,507,718
<b>Total Net Assets</b>	<b>\$ 4,915,228</b>

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

# Statement of Activities

## Town of Casco, Maine

For the Year Ended June 30, 2009

Function/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Governmental Activities
<b>Governmental Activities:</b>				
General government	\$ 734,065	\$ 122,425	\$ -	\$ (611,640)
Public safety	438,289	-	-	(438,289)
Public works	598,318	-	55,948	(542,370)
Health and sanitation	499,178	-	185,097	(314,081)
Education	4,367,114	-	-	(4,367,114)
Social services	66,727	-	23,015	(43,712)
Unclassified	561,500	1,701	-	(559,799)
Interest on long-term debt	15,818	-	-	(15,818)
<b>Total Governmental Activities</b>	<b>\$ 7,281,009</b>	<b>\$ 124,126</b>	<b>\$ 264,060</b>	<b>(6,892,823)</b>

### General revenues:

#### Taxes:

Property	6,090,685
Excise	587,414
Intergovernmental	545,806
Interest income	64,512
Miscellaneous	186,092

**Total General Revenues** 7,474,509

**Change in Net Assets** 581,686

Net assets at beginning of year, as reported	4,320,746
Prior period adjustment	12,796
Net assets at beginning of year, as restated	<u>4,333,542</u>

**Net Assets at End of Year** \$ 4,915,228

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



## Balance Sheet - Governmental Funds

### Town of Casco, Maine

As of June 30, 2009

	General	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>			
Cash	\$ 2,649,568	\$ 183,156	\$ 2,832,724
Taxes receivable	461,358	-	461,358
Tax liens receivable	262,037	-	262,037
Accounts receivable	80,768	-	80,768
Tax acquired property	37,995	-	37,995
Prepaid expenses	6,246	-	6,246
Due from other funds	9,719	941,595	951,314
<b>Total Assets</b>	<b>\$ 3,507,691</b>	<b>\$ 1,124,751</b>	<b>\$ 4,632,442</b>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts payable	\$ 88,584	\$ -	\$ 88,584
Escrow accounts payable	1,080	-	1,080
Due to other funds	941,595	9,719	951,314
Due to other governments	10,708	-	10,708
Taxes paid in advance	1,054	-	1,054
Deferred revenues	589,022	-	589,022
<b>Total Liabilities</b>	<b>1,632,043</b>	<b>9,719</b>	<b>1,641,762</b>
<b>Fund Balances</b>			
Reserved for:			
Endowments	-	13,310	13,310
Unreserved:			
Designated for subsequent expenditures	700,969	1,101,722	1,802,691
Undesignated	1,174,679	-	1,174,679
<b>Total Fund Balances</b>	<b>1,875,648</b>	<b>1,115,032</b>	<b>2,990,680</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 3,507,691</b>	<b>\$ 1,124,751</b>	<b>\$ 4,632,442</b>

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

**Reconciliation of Governmental Funds Balance Sheet  
to the Statement of Net Assets**

**Town of Casco, Maine**

**As of June 30, 2009**

**Total Fund Balances - Governmental Funds** \$ 2,990,680

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 as assets in governmental  
funds. The cost of capital assets, net of accumulated depreciation is: 1,709,200

Property tax revenues are presented on the modified accrual basis  
of accounting in the governmental funds but in the Statement of  
Activities, property tax revenue is reported under the accrual method.  
The balance in deferred property tax revenue in the governmental  
funds as a liability is: 585,000

Long-term liabilities are not due and payable in the current period  
and therefore are not reported as liabilities in the funds. Long-term  
and related liabilities at year-end consist of:

Bond payable	\$ (315,000)	
Accrued interest payable	(6,234)	
Accrued compensated absences	<u>(48,418)</u>	
		<u>(369,652)</u>

**Total Net Assets - Governmental Activities** **\$ 4,915,228**

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

**Statement of Revenues, Expenditures and Changes in Fund Balances -  
Governmental Funds**

**Town of Casco, Maine**

**For the Year Ended June 30, 2009**

	General	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>			
Taxes			
Property	\$ 6,005,685	\$ -	\$ 6,005,685
Excise	587,414	-	587,414
Intergovernmental	624,769	-	624,769
Miscellaneous	554,422	5,405	559,827
<b>Total Revenues</b>	<b>7,772,290</b>	<b>5,405</b>	<b>7,777,695</b>
<b>Expenditures</b>			
Current			
General government	715,311	-	715,311
Public safety	359,679	-	359,679
Public works	587,733	-	587,733
Health and sanitation	477,900	-	477,900
Education	4,367,114	-	4,367,114
Social services	66,727	-	66,727
Unclassified	483,714	75,786	559,500
Debt service - principal	90,000	-	90,000
- interest	17,600	-	17,600
<b>Total Expenditures</b>	<b>7,165,778</b>	<b>75,786</b>	<b>7,241,564</b>
<b>Revenues Over (Under) Expenditures</b>	<b>606,512</b>	<b>(70,381)</b>	<b>536,131</b>
<b>Other Financing Sources (Uses)</b>			
Operating transfers in	2,566	250,000	252,566
Operating transfers out	(250,000)	(2,566)	(252,566)
<b>Total Other Financing Sources (Uses)</b>	<b>(247,434)</b>	<b>247,434</b>	<b>-</b>
<b>Revenues and Other Sources Over       Expenditures and Other Uses</b>	<b>359,078</b>	<b>177,053</b>	<b>536,131</b>
Fund balances at beginning of year, as reported	1,503,774	937,979	2,441,753
Prior period adjustment	12,796	-	12,796
Fund balances at beginning of year, as restated	1,516,570	937,979	2,454,549
<b>Fund Balances at End of Year</b>	<b>\$ 1,875,648</b>	<b>\$ 1,115,032</b>	<b>\$ 2,990,680</b>

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

# Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

## Town of Casco, Maine

As of June 30, 2009

**Net Change in Fund Balances - Total Governmental Funds** \$ 536,131

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

Property tax revenues are presented on the modified accrual basis of accounting in the governmental funds but in the Statement of Activities, property tax revenue is reported under the accrual method. The current year change in deferred property tax revenue reported in the governmental funds and not in the Statement of Activities is:

85,000

Governmental funds report capital asset additions 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 depreciation expense differed from capital asset additions in the current period:

Capital asset additions

\$ 16,090

Depreciation expense

(146,837)

(130,747)

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. This is the principal portion of debt service payments.

90,000

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 the governmental funds.

Change in accrued interest payable

1,782

Change in accrued compensated absences

(480)

**Change in Net Assets of Governmental Activities**

\$ 581,686

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

**Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual - General Fund (Budgetary Basis)**

**Town of Casco, Maine**

**For the Year Ended June 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive (Negative)</u>
<b>Revenues</b>				
Taxes				
Property	\$ 6,088,489	\$ 6,088,489	\$ 6,005,685	\$ (82,804)
Excise	568,260	568,260	587,414	19,154
Intergovernmental	368,235	368,235	624,769	256,534
Miscellaneous	328,620	328,620	554,422	225,802
<b>Total Revenues</b>	<b>7,353,604</b>	<b>7,353,604</b>	<b>7,772,290</b>	<b>418,686</b>
<b>Expenditures</b>				
Current				
General government	899,320	899,320	715,311	184,009
Public safety	448,694	448,694	359,679	89,015
Public works	835,779	835,779	587,733	248,046
Health and sanitation	374,124	374,124	477,900	(103,776)
Education	4,367,114	4,367,114	4,367,114	-
Social services	56,281	56,281	66,727	(10,446)
Unclassified	540,298	540,298	483,714	56,584
Debt service - principal	89,500	90,000	90,000	-
- interest	17,600	17,600	17,600	-
<b>Total Expenditures</b>	<b>7,628,710</b>	<b>7,629,210</b>	<b>7,165,778</b>	<b>463,432</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(275,106)</b>	<b>(275,606)</b>	<b>606,512</b>	<b>882,118</b>
<b>Other Financing Sources (Uses)</b>				
Operating transfers in	-	500	2,566	2,066
Operating transfers out	(250,000)	(250,000)	(250,000)	-
Utilization of designated surplus	450,494	450,494	-	(450,494)
Utilization of undesignated surplus	261,680	261,680	-	(261,680)
<b>Total Other Financing Sources (Uses)</b>	<b>462,174</b>	<b>462,674</b>	<b>(247,434)</b>	<b>(710,108)</b>
<b>Revenues and Other Sources Over</b>				
<b>Expenditures and Other (Uses)</b>	<b>\$ 187,068</b>	<b>\$ 187,068</b>	<b>359,078</b>	<b>\$ 172,010</b>
Fund balance at beginning of year , as reported			1,503,774	
Prior period adjustment			12,796	
Fund balance at beginning of year , as restated			1,516,570	
<b>Fund Balance at End of Year</b>			<b>\$ 1,875,648</b>	

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

## Notes to Financial Statements

### Town of Casco, Maine

#### Note A - Summary of Significant Accounting Policies

The Town of Casco, Maine was incorporated in 1841 and operates under a Selectboard -Town Manager form of government. The accounting policies of the Town of Casco conform to 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. The more significant accounting policies established in GAAP and used by the Town are discussed below.

#### Principles Determining Scope of Reporting Entity

The basic financial statements include the accounts of all Town operations. The criteria for including organizations as component units within the Town's reporting entity, as set forth in GAAP include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the Town holds the corporate powers of the organization
- the Town appoints a voting majority of the organization's board
- the Town is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the Town
- there is fiscal dependency by the organization on the Town

Based on the aforementioned criteria, the Town of Casco has no component units.

#### Basis of Presentation

##### Government-wide Financial Statements

The statement of net assets and statement of activities report information about the reporting government as a whole. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The Town does not allocate indirect expenses to functions in the statement of activities. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported 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. Major individual governmental funds are reported as separate columns in the fund financial statements.

## Notes to Financial Statements - Continued

### Town of Casco, Maine

#### Note A - Summary of Significant Accounting Policies - Continued

##### Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which are considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, fund equity, revenues, and expenditures.

##### Governmental Activities

Governmental funds are identified as either general, special revenue, capital projects, or permanent funds based upon the following guidelines.

The *General Fund* is the operating fund of the Town and is always classified as a major fund. It is used to account for all financial resources except those required to be accounted for in another fund.

*Special Revenue Funds* are used to account for the proceeds of specific sources (other than major capital projects or expendable trusts) that are legally restricted to expenditures for specified purposes.

*Permanent Funds* are used to account for resources legally held in trust. All resources of the fund, including any earnings on invested resources, may be used to support the organization as stipulated by the specific trust instrument.

##### 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 is related to the timing of the measurements made, regardless of the measurement focus applied.

##### Accrual

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

##### Modified Accrual

Governmental funds 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 within 60 days after year end. 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 is recognized when due.

## **Notes to Financial Statements - Continued**

### **Town of Casco, Maine**

#### **Note A - Summary of Significant Accounting Policies - Continued**

##### **Cash and Cash Equivalents**

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.

##### **Inventories**

Inventories of supplies are considered to be expenditures at the time of purchase.

##### **Capital Assets**

In the government-wide financial statements, 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. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line method. Estimated useful lives are as follows: land improvements, 20 years; buildings and improvements, 20 to 50 years; infrastructure, 40 to 50 years; and vehicles and equipment, 10 to 15 years.

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets are not capitalized and related depreciation is not reported in the fund financial statements.

##### **Vacation and Sick Leave**

Under the terms of personnel policies, vacation and sick leave are granted in varying amounts. Accumulated unused sick leave is not payable upon separation and therefore is not included as part of compensated absences. The Town accrues unpaid vacation when earned (or estimated to be earned) by the employee. The non-current portion (the amount estimated to be used in subsequent fiscal years) for governmental funds is maintained separately and represents a reconciling item between the fund and government-wide presentation.



## Notes to Financial Statements - Continued

### Town of Casco, Maine

#### Note A - Summary of Significant Accounting Policies - Continued

##### **Budget**

The Town of Casco'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:

- Early in the second half of the last fiscal year the Town prepared a budget for this fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them.
- A vote of the inhabitants of the Town was then taken for the purpose of adopting the proposed budget after public notice of the vote was given.
- The budget was adopted subsequent to passage by the inhabitants of the Town.

The Town does not adopt budgets for special revenue funds.

##### **Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

##### **Interfund Activity**

Interfund activity is reported as either loans, reimbursements, or transfers. Loans are reported as interfund loan receivables and payables as appropriate and are subject to elimination upon consolidation in the government-wide presentation. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related costs as a reimbursement. Since not all funds maintain a separate cash account, cash is pooled in the General Fund cash account and activity for individual funds are recorded through the General Fund and each respective individual fund through the recognition of a "due to/due from" as appropriate. The due to/from other funds balances are subject to elimination upon consolidation in the government-wide presentation. All interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

## **Notes to Financial Statements - Continued**

### **Town of Casco, Maine**

#### **Note A - Summary of Significant Accounting Policies - Continued**

##### **Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

##### **Debt Issuance Costs**

In governmental funds, debt issuance costs are recognized in the current period. For the government-wide financial statements, governmental activity debt issuance costs are amortized over the life of the debt issue.

##### **Revenue Recognition - Property Taxes**

The Town's property tax for the current year was levied September 5, 2008, on the assessed value listed as of April 1, 2008, for all real and personal property located in the Town. Taxes were due October 8, 2008 and April 8, 2009. Interest on unpaid taxes commenced on October 9, 2008 and April 9, 2008, at 11.0% 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 \$187,068 (2.5%) for the year ended June 30, 2009.

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.

## Notes to Financial Statements - Continued

### Town of Casco, Maine

#### Note B - Cash

The Town conducts all its banking transactions with its depository banks.

#### **Custodial Credit Risk - Deposits**

At June 30, 2009, the carrying amount of the Town's deposits was \$2,832,724, and the bank balance was \$2,851,886. The difference between these balances relates to deposits in transit, outstanding checks and cash on hand at year-end. Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy on custodial credit risk. As of June 30, 2009 the Town's bank balance of \$2,851,886 was exposed to credit risk as follows:

Collateralized with securities held by the pledging financial institution	\$ <u>2,264,464</u>
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## Notes to Financial Statements - Continued

### Town of Casco, Maine

#### Note C - Capital Assets

A summary of capital assets transactions for the year ended June 30, 2009, follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>				
Non-Depreciable Assets:				
Land and improvements	\$ 219,000	\$ -	\$ -	\$ 219,000
Depreciable Assets:				
Buildings and improvements	1,534,499	-	-	1,534,499
Vehicles and equipment	2,021,586	445,814	-	2,467,400
Intellectual property	<u>120,000</u>	<u>-</u>	<u>-</u>	<u>120,000</u>
Totals at historical cost	3,895,085	445,814	-	4,340,899
Less accumulated depreciation:				
Buildings and improvements	632,739	39,612	-	672,351
Vehicles and equipment	1,792,123	95,225	-	1,887,348
Intellectual property	<u>60,000</u>	<u>12,000</u>	<u>-</u>	<u>72,000</u>
Total accumulated depreciation	<u>2,484,862</u>	<u>146,837</u>	<u>-</u>	<u>2,631,699</u>
<b>Capital Assets, Net</b>	<u>\$ 1,410,223</u>	<u>\$ 298,977</u>	<u>\$ -</u>	<u>\$ 1,709,200</u>

Depreciation expense was charged to the following functions:

#### Governmental activities:

General government	\$ 19,052
Public safety	94,700
Public works	10,585
Health and sanitation	20,500
Unclassified	<u>2,000</u>
Total governmental activities depreciation expense	<u>\$ 146,837</u>

## Notes to Financial Statements - Continued

### Town of Casco, Maine

#### Note D - Interfund Receivables and Payables

Interfund balances at June 30, 2009 consisted of the following individual fund receivables and payables:

	Receivables <u>Due from</u>	Payables <u>Due to</u>	Net Internal <u>Balances</u>
<b>Governmental Activities</b>			
<u>General Fund:</u>			
<i>Other Governmental Funds:</i>			
Special Revenue:			
State Revenue Sharing	\$ 9,133	\$ -	
Municipal Revenue	-	100,356	
Highway Block Grant	-	75,388	
Rescue Equipment	-	46,079	
Tank 6 Retrofit	-	2,000	
Future Land Acquisition	-	23,000	
Firefighter Fund	-	3,095	
Ladder Truck Repairs	-	25,376	
Pipeline TIF	-	179,692	
Municipal Building Repair	-	78,371	
Land Futures	-	120,000	
Public Safety Buildings	-	43,236	
Capital Improvement Undesignated	-	32,234	
Highway Improvement	-	7,500	
Fire Equipment	-	50,000	
Fire Truck Pumper	-	7,000	
Plummer Park	-	6,092	
Recreation - Tennis Courts	-	4,690	
Recreation	-	22,845	
Road Improvements	-	89,641	
Grange Hall	-	15,000	
Municipal equipment	-	10,000	
	<u>9,133</u>	<u>941,595</u>	
Trust Fund - Cemetery	586	-	
Total General Fund	<u>9,719</u>	<u>941,595</u>	

## Notes to Financial Statements - Continued

### Town of Casco, Maine

#### Note D - Interfund Receivables and Payables - Continued

	Receivables <u>Due from</u>	Payables <u>Due to</u>	Net Internal <u>Balances</u>
<u>Other Governmental Funds:</u>			
<i>Special Revenue:</i>			
General Fund:			
State Revenue Sharing	\$ -	\$ 9,133	
Municipal Revenue	100,356	-	
Highway Block Grant	75,388	-	
Rescue Equipment	46,079	-	
Tank 6 Retrofit	2,000	-	
Future Land Acquisition	23,000	-	
Firefighter Fund	3,095	-	
Ladder Truck Repairs	25,376	-	
Pipeline TIF	179,692	-	
Municipal Building Repair	78,371	-	
Land Futures	120,000	-	
Public Safety Buildings	43,236	-	
Capital Improvement Undesignated	32,234	-	
Highway Improvement	7,500	-	
Fire Equipment	50,000	-	
Fire Truck Pumper	7,000	-	
Plummer Park	6,092	-	
Recreation - Tennis Courts	4,690	-	
Recreation	22,845	-	
Road Improvements	89,641	-	
Grange Hall	15,000	-	
Municipal equipment	10,000	-	
	<u>941,595</u>	<u>9,133</u>	
<i>Trust Fund:</i>			
General Fund:			
Cemetery	-	586	
Total Other Governmental Funds	<u>941,595</u>	<u>9,719</u>	
<b>Total Governmental Activities</b>	<u><b>\$ 951,314</b></u>	<u><b>\$ 951,314</b></u>	<u><b>\$ -</b></u>

All interfund balances resulted from (1) the time lag between the dates that 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.

## Notes to Financial Statements - Continued

### Town of Casco, Maine

#### Note E - Interfund Transfers

Interfund transfers for the year ended June 30, 2009 consisted of the following amounts:

	Transfers <u>In</u>	Transfers <u>Out</u>	Net <u>Transfers</u>
<b>Governmental Activities</b>			
<u>General Fund:</u>			
<i>Other Governmental Funds:</i>			
Special Revenue	\$ 2,566	\$ (250,000)	\$ (247,434)
<u>Other Governmental Funds:</u>			
<i>Special Revenue:</i>			
General Fund	<u>250,000</u>	<u>(2,566)</u>	<u>247,434</u>
<b>Total Interfund Transfers</b>	<u>\$ 252,566</u>	<u>\$ 252,566</u>	<u>\$ -</u>

Transfers are used to finance various programs accounted for in other funds in accordance with budgetary authorizations.

#### Note F - Long-Term Debt

Long-term liability activity for the year ended June 30, 2009, was as follows:

	Beginning <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	Ending <u>Balance</u>	Amounts Due within <u>One Year</u>
<b>Governmental Activities:</b>					
General obligation debt	\$ 405,000	\$ -	\$ 90,000	\$ 315,000	\$ 100,000
Compensated absences	<u>47,938</u>	<u>25,460</u>	<u>24,980</u>	<u>48,418</u>	<u>25,230</u>
<b>Total Governmental</b>	<u>\$ 452,938</u>	<u>\$ 25,460</u>	<u>\$ 114,980</u>	<u>\$ 363,418</u>	<u>\$ 125,230</u>

## Notes to Financial Statements - Continued

### Town of Casco, Maine

#### Note F - Long-Term Debt - Continued

At June 30, 2009 long-term debt consisted of the following individual issue:

2001 General Obligation Bond for equipment and capital improvements with Cede & Co., due in annual principal and interest installments through July 2011. Interest began at 3.25% and escalates to 5.5%. \$ 315,000

The annual requirements to amortize long-term debt are as follows:

Year ending <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 100,000	\$ 14,063	\$ 114,063
2011	105,000	8,806	113,806
2012	<u>110,000</u>	<u>3,025</u>	<u>113,025</u>
Total	<u>\$ 315,000</u>	<u>\$ 25,894</u>	<u>\$ 340,894</u>

#### Note G - Pension Plan

##### International City Management Association Retirement Corp.

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.



## Notes to Financial Statements - Continued

### Town of Casco, Maine

#### Note H - Designated Fund Balance

At June 30, 2009, the designated fund balance applicable to future periods was as follows:

General government	\$ 154,318
Sanitation	38,096
Public works	373,307
Public safety:	
Fire department	63,585
Rescue department	2,023
Other public safety	2,000
Social services	17,465
Unclassified:	
Sebago LK CM	500
Parks and recreation	27,033
WEB	9,805
GIS	12,667
Other unclassified	170
	<u>\$ 700,969</u>

#### Note I - Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; and natural disasters for which the Town either carries commercial insurance, participates in a public entity risk pool, or is effectively self-insured. Currently, the Town participates in several public entity and self-insured risk pools sponsored by the Maine Municipal Association. Based on the coverage provided by the pools described above, as well as coverage provided by commercial insurance purchased, the Town is not aware of any material actual or potential claim liabilities that should be recorded at June 30, 2009.

#### Note J - Joint Venture

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 facility's operations. Complete financial statements for the LRBWF and CNTS are available at the office of each municipality.

## **Notes to Financial Statements - Continued**

### **Town of Casco, Maine**

#### **Note K - Prior Period Adjustment**

During the year ended June 30, 2009, the Town received \$12,796 from the State of Maine tree growth tax reimbursement that related to the prior fiscal year June 30, 2008. Beginning net assets and fund balance have been increased to reflect proper period recognition.

#### **Note L - Subsequent Event**

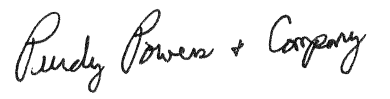
Subsequent to June 30, 2009 the Town entered into a new loan obligation with a financial institution and has borrowed \$530,000 on this obligation.

Management has made an evaluation of subsequent events up through and including the audit report date, which was the date the financial statements were available to be issued, and determined that any subsequent events that would require recognition or disclosure have been considered in the preparation of the financial statements.

## **Independent Auditors' Report on Supplemental Information**

**To the Selectboard  
Town of Casco  
Casco, Maine**

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental information contained in the following schedules for the year ended June 30, 2009, is presented for the purpose of additional analysis and is 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 stated in all material respects in relation to the basic financial statements taken as a whole.

  
Professional Association

**Portland, Maine  
December 9, 2009**

**Combining Balance Sheet**  
**Nonmajor Governmental Funds - Other Governmental Funds**

**Town of Casco, Maine**

**As of June 30, 2009**

	Special Revenue	Permanent Fund	Total Nonmajor Governmental Funds
<b>Assets</b>			
Cash	\$ 100,213	\$ 82,943	\$ 183,156
Due from other funds	<u>941,595</u>	<u>-</u>	<u>941,595</u>
<b>Total Assets</b>	<u>\$ 1,041,808</u>	<u>\$ 82,943</u>	<u>\$ 1,124,751</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Due to other funds	\$ 9,133	\$ 586	\$ 9,719
<b>Total Liabilities</b>	<u>9,133</u>	<u>586</u>	<u>9,719</u>
<b>Fund Balances</b>			
Reserved for:			
Endowments	-	13,310	13,310
Unreserved:			
Designated	<u>1,032,675</u>	<u>69,047</u>	<u>1,101,722</u>
<b>Total Fund Balances</b>	<u>1,032,675</u>	<u>82,357</u>	<u>1,115,032</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 1,041,808</u>	<u>\$ 82,943</u>	<u>\$ 1,124,751</u>

See accompanying independent auditors' report on supplemental financial information.

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds - Other Governmental Funds**

**Town of Casco, Maine**

**For the Year Ended June 30, 2009**

	Special Revenue	Permanent Fund	Total Nonmajor Governmental Funds
<b>Revenues</b>			
Investment income	\$ 2,956	\$ 2,449	\$ 5,405
<b>Net Revenues</b>	2,956	2,449	5,405
<b>Expenditures</b>			
Program	75,786	-	75,786
<b>Total Expenditures</b>	75,786	-	75,786
<b>Revenues Over (Under) Expenditures</b>	(72,830)	2,449	(70,381)
<b>Other Financing Sources (Uses)</b>			
Operating transfers in	250,000	-	250,000
Operating transfers out	(2,566)	-	(2,566)
<b>Total Other Sources (Uses)</b>	247,434	-	247,434
<b>Revenues and Other Sources Over Expenditures and Other Uses</b>	174,604	2,449	177,053
Fund balances at beginning of year	858,071	79,908	937,979
<b>Fund Balances at End of Year</b>	<u>\$ 1,032,675</u>	<u>\$ 82,357</u>	<u>\$ 1,115,032</u>

See accompanying independent auditors' report on supplemental financial information.

# Combining Schedule of Revenues, Expenditures and Changes in Fund Balances Special Revenue Fund

## Town of Casco, Maine

For the Year Ended June 30, 2009

	Fund Balance (Deficit) July 1, 2008	Revenues	Expenditures	Transfers In	Transfers Out	Fund Balance (Deficit) June 30, 2009
State Revenue Sharing	\$ (7,619)	\$ -	\$ -	\$ -	\$ 1,514	\$ (9,133)
Municipal Revenue	100,356	-	-	-	-	100,356
Highway Block Grant	75,940	-	-	-	552	75,388
Rescue replacement	85,132	1,611	16,090	30,000	-	100,653
Community center kitchen	3,567	108	-	-	-	3,675
Tank 6 retrofit	2,000	-	-	-	-	2,000
Future land acquisition	23,000	-	-	-	-	23,000
Firefighter fund	3,095	-	-	-	-	3,095
Ladder truck repairs	25,376	-	-	-	-	25,376
Pipeline TIF	180,193	-	-	-	500	179,693
Municipal building repair	83,482	-	5,110	-	-	78,372
Land futures	128,631	1,175	-	30,000	-	159,806
Public safety building	33,236	-	-	10,000	-	43,236
Capital improvement undesignated	32,234	-	-	-	-	32,234
Highway improvement	7,500	-	-	-	-	7,500
Fire equipment	-	-	-	50,000	-	50,000
Fire truck pumper	7,000	-	-	-	-	7,000
Plummer park	6,092	-	-	-	-	6,092
Tennis courts	4,690	-	-	-	-	4,690
Grange Hall	-	-	-	15,000	-	15,000
Road improvements	35,000	-	45,359	100,000	-	89,641
Recreation	20,000	-	7,155	10,000	-	22,845
Municipal equipment	5,000	-	-	5,000	-	10,000
Veterans funds	4,166	62	2,072	-	-	2,156
	<u>\$ 858,071</u>	<u>\$ 2,956</u>	<u>\$ 75,786</u>	<u>\$ 250,000</u>	<u>\$ 2,566</u>	<u>\$ 1,032,675</u>

See accompanying independent auditors' report on supplemental financial information.

**Combining Balance Sheet**  
**Permanent Funds - Trust Funds**

**Town of Casco, Maine**

**As of June 30, 2009**

	Cemeteries	School/ Road	Total
<b>Assets</b>			
Cash	\$ 21,617	\$ 61,326	\$ 82,943
Due from other funds	-	-	-
<b>Total Assets</b>	<u>\$ 21,617</u>	<u>\$ 61,326</u>	<u>\$ 82,943</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Due to other funds	\$ 586	\$ -	\$ 586
<b>Total Liabilities</b>	586	-	586
<b>Fund Balances</b>			
Reserved for endowments	3,810	9,500	13,310
Unreserved - designated	17,221	51,826	69,047
<b>Total Fund Balances</b>	<u>21,031</u>	<u>61,326</u>	<u>82,357</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 21,617</u>	<u>\$ 61,326</u>	<u>\$ 82,943</u>

See accompanying independent auditors' report on supplemental financial information.

**Combining Schedule of Revenues, Expenses and Changes in Fund Balances**  
**Permanent Funds - Trust Funds**

**Town of Casco, Maine**

**For the Year Ended June 30, 2009**

	Fund Balance	Revenues			Fund Balance
	June 30, 2008	Principal	Interest	Expenses	June 30, 2009
Cemetery Funds -					
Minnie Curran	\$ 784	\$ -	\$ 24	\$ -	\$ 808
Ernest Watkins	1,150	-	38	-	1,188
Annie Mitchell	263	-	9	-	272
Sammuel Sylvester	643	-	19	-	662
Mary Wright	753	-	23	-	776
Alpheus & Ellen Gould	2,286	-	70	-	2,356
Frank & Callie Harmon	761	-	23	-	784
Cpt. Richard Mayberry	605	-	18	-	623
Mrs. George Murch	4,626	-	155	-	4,781
Henry & Lena Watkins	8,522	-	259	-	8,781
School/Road Funds -					
Cyrus Mayberry	59,515	-	1,811	-	61,326
	<u>\$ 79,908</u>	<u>\$ -</u>	<u>\$ 2,449</u>	<u>\$ -</u>	<u>\$ 82,357</u>

See accompanying independent auditors' report on supplemental financial information.



# Schedule of Departmental Expenditures (1 of 3)

## Town of Casco, Maine

For the Year Ended June 30, 2009

Expenditures	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
General Government:				
Operations	\$ 130,530	\$ 130,530	\$ 139,676	\$ (9,146)
Office salaries	328,417	328,417	303,604	24,813
Contingency	46,328	46,328	31,239	15,089
Insurance	158,500	158,500	100,788	57,712
Legal	29,591	29,591	17,017	12,574
Assessing	45,523	45,523	41,074	4,449
Planning/Appeals	30,231	30,231	16,634	13,597
Retirement	108,005	108,005	58,369	49,636
Unemployment compensation	14,195	14,195	4,659	9,536
Building maintenance	8,000	8,000	2,251	5,749
Total General Government	899,320	899,320	715,311	184,009
Public Safety:				
Summer security	7,819	7,819	5,961	1,858
Rescue unit	141,410	141,410	143,613	(2,203)
Fire department	206,490	206,490	133,234	73,256
Animal control	11,428	11,428	13,534	(2,106)
Street lights	13,972	13,972	12,138	1,834
Dispatch	52,778	52,778	42,021	10,757
Fire and rescue fuel	11,000	11,000	7,151	3,849
Civil emergency	3,075	3,075	2,027	1,048
Fire/Rescue auxillary	722	722	-	722
Total Public Safety	448,694	448,694	359,679	89,015

See accompanying independent auditors' report on supplemental financial information.

## Schedule of Departmental Expenditures (2 of 3)

### Town of Casco, Maine

For the Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
Health and Sanitation:				
Septic disposal	-	-	250	(250)
Bulky waste	130,000	130,000	221,918	(91,918)
Casco Naples transfer station	244,124	244,124	255,732	(11,608)
<b>Total Health and Sanitation</b>	<u>374,124</u>	<u>374,124</u>	<u>477,900</u>	<u>(103,776)</u>
 Social Services:				
General assistance	37,045	37,045	52,127	(15,082)
Community Health Services	4,500	4,500	-	4,500
Family Crisis	1,100	1,100	1,100	-
Tri-County Counseling	3,500	3,500	3,500	-
PROP	5,800	5,800	5,800	-
Christmas fund	136	136	-	136
Meal site	4,200	4,200	4,200	-
<b>Total Social Services</b>	<u>56,281</u>	<u>56,281</u>	<u>66,727</u>	<u>(10,446)</u>
 Public Works:				
Road maintenance	196,357	196,357	260,929	(64,572)
Winter roads	328,896	328,896	305,857	23,039
Paving	284,038	284,038	380	283,658
Private road maintenance	2,600	2,600	1,125	1,475
Cemetery maintenance	23,888	23,888	19,442	4,446
<b>Total Public Works</b>	<u>835,779</u>	<u>835,779</u>	<u>587,733</u>	<u>248,046</u>
 Education:				
MSAD 61	<u>4,367,114</u>	<u>4,367,114</u>	<u>4,367,114</u>	<u>-</u>

See accompanying independent auditors' report on supplemental financial information.

# Schedule of Departmental Expenditures (3 of 3)

## Town of Casco, Maine

For the Year Ended June 30, 2009

	Budgeted Amounts			Variance
	Original	Final	Actual	Favorable (Unfavorable)
Debt Service:				
Principal	89,500	90,000	90,000	-
Interest	17,600	17,600	17,600	-
<b>Total Debt Service</b>	<u>107,100</u>	<u>107,600</u>	<u>107,600</u>	<u>-</u>
Unclassified:				
County tax	308,048	308,048	308,048	-
Recreation	109,937	109,937	49,146	60,791
Library	38,250	38,250	38,250	-
Grange hall	4,523	4,523	4,352	171
Memorial Day	300	300	300	-
Council of governments	3,469	3,469	3,469	-
Maine Municipal Association	3,687	3,687	7,839	(4,152)
Abatements	-	-	52,035	(52,035)
Lake associations	7,664	7,664	7,664	-
Website design	9,805	9,805	2,014	7,791
Global information system	15,016	15,016	2,969	12,047
Comprehensive plan	28,849	28,849	2,778	26,071
Other	10,750	10,750	4,850	5,900
<b>Total Unclassified</b>	<u>540,298</u>	<u>540,298</u>	<u>483,714</u>	<u>56,584</u>
<b>Total Departmental Expenditures</b>	<u>\$ 7,628,710</u>	<u>\$ 7,629,210</u>	<u>\$ 7,165,778</u>	<u>\$ 463,432</u>

See accompanying independent auditors' report on supplemental financial information.

# Schedule of Valuation, Assessment and Collection of Taxes

## Town of Casco, Maine

For the Year Ended June 30, 2009

### Valuation

Real estate	\$	624,838,950
Personal property		<u>16,054,650</u>
<b>Total Valuation</b>	<b>\$</b>	<b><u>640,893,600</u></b>

### Assessment

Valuation x Rate - \$640,893,600 x .0095	\$	6,088,489
Supplemental taxes		<u>2,195</u>

**Total Assessment Charged to Collector** \$ 6,090,684

### Collection and Credits

Cash collections	5,612,418
Tax abatements	<u>46,498</u>

**Total Collection and Credits** 5,658,916

**2009 Taxes Receivable - June 30, 2009** \$ 431,768

See accompanying independent auditors' report on supplemental financial information.