

TOWN OF HOPE
ANNUAL REPORT
JUNE 30, 2010

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TOWN OF HOPE
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INDEPENDENT AUDITORS' REPORT

Board of Selectmen
Town of Hope
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We have audited the accompanying general purpose financial statements of the Town of Hope, as of and for the years ended June 30, 2010 and 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 of Hope'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 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 Town of Hope as of June 30, 2010 and 2009, and the respective changes in financial position and cash flows, for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

The *Management's Discussion and Analysis* and budgetary comparison information on Schedule A-1, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Hope's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor funds financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

November 22, 2010



MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Town of Hope, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town of Hope for the fiscal year ended June 30, 2010.

FINANCIAL HIGHLIGHTS

Government-wide Highlights

Net Assets – The Town's assets of \$6,069,563 exceeded its liabilities at the close of the most recent fiscal year by \$5,031,577. Of this amount, \$864,807 is reported as "unrestricted net assets". Unrestricted net assets represent the amount available to be used to meet the Town's ongoing obligations to citizens and creditors.

Changes in Net Assets – The Town's total net assets increased by \$110,986 as shown below:

Increase in cash	\$238,360
Increase in taxes receivable	47,663
Increase in bonds payable	(552,465)
Debt principal payments	60,007
Increase in capital assets	497,909
Depreciation of capital assets	(181,609)
All other	<u>1,121</u>
	<u>\$110,986</u>

Fund Highlights

Governmental Funds – Fund Balances – The Town's governmental funds (Exhibit E) reported a combined ending fund balance of \$919,313 as of June 30, 2010. Of this amount, \$704,750 is undesignated and represents 22% of the general fund expenditures for the year.

Long-Term Debt

The Town's total long-term debt obligations increased by \$492,458 during the fiscal year as a result of a \$33,333 principal payment on the school addition bond, a \$24,760 principal payment on the fire truck loan, a \$1,914 principal payment on the copier loan, and the issuance of a \$552,465 bond for the construction of the Hope Corner Fire Station.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains additional required supplementary information (budgetary comparison).

Government-wide Financial Statements

The government-wide financial statements present the financial picture of the Town from the economic resources measurement focus using the accrual basis of accounting. This is similar to the presentation used by private-sector businesses. Government-wide financial statements present governmental activities and business-type activities separately. The School Lunch Program is the Town's only business-type activity.

The statement of net assets includes all assets of the Town (including infrastructure) as well as all liabilities (including long-term debt), with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

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

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 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town are either governmental funds or fiduciary funds. Reconciliation of the fund financial statements to the government-wide financial statements is provided to explain the differences created by this integrated approach.

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

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

The Town maintains six individual governmental funds – the General Fund, Capital Projects Fund, Cemetery Maintenance Fund, Cemetery Perpetual Care Fund and two Special Revenue funds related to Hope Elementary School – Federal and State Programs (e.g. Federal Title Programs) and Other Grants. Financial statements for fiduciary funds are used to account for resources held for the benefit of parties outside the Town government. These funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the Town’s own programs. The Town of Hope has only one fiduciary fund – the Student Activity fund at the Hope Elementary School.

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 the financial statements can be found immediately following the fund financial statements.

Required Supplementary Information

This section includes a schedule comparing budgeted revenue and expenditures with actual amounts.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Assets

As noted earlier, net assets may serve over time as a useful indicator of a government’s financial position. In the case of the Town, assets exceeded liabilities by \$5,031,577 at the close of the most recent fiscal year.

Current assets	\$1,256,174
Capital assets	4,813,389
<i>Total assets</i>	<u>\$6,069,563</u>
Accounts payable and accrued expenses	\$ 181,419
Debt related to capital assets	856,567
<i>Total liabilities</i>	<u>\$1,037,986</u>
Net assets:	
Invested in capital assets, net of related debt	\$3,938,502
Restricted	228,268
Unrestricted	864,807
<i>Total net assets</i>	<u>\$5,031,577</u>

The largest portion of the Town's net assets reflects its investment in capital assets (land, buildings, roads and equipment), less any related outstanding debt used to acquire these assets. These assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Change in Net Assets

Total revenues	\$3,661,409
Total expenses	3,550,423
<i>Change in net assets</i>	<u>\$ 110,986</u>

71% of the Town's total revenue came from property and excise taxes; 2% came from contributions; 25% came from state and federal funding; and 2% came from services, interest income and other sources.

For the second consecutive year, the Town's net assets increased during the year ended June 30, 2010, primarily as a result of fundraising for the new fire station and completion thereof. This followed four consecutive years of declining net assets. If the Town's investment in capital assets does not keep up with the depreciation of existing assets, a deteriorating financial position could be a result.

FINANCIAL ANALYSIS OF THE TOWN'S INDIVIDUAL FUNDS

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

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

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$919,313. 77% of this total amount constitutes the undesignated fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is designated to indicate that it is not available for new spending because it has already been committed.

The general fund is the chief operating fund of the Town. At the end of the current fiscal year, undesignated fund balance of the general fund was \$704,750, while total fund balance was \$819,519. As a measure of the general fund's liquidity, it may be useful to compare the undesignated fund balance to total fund expenditures. The undesignated fund balance represents 22% of total general fund expenditures.

General Fund Budgetary Highlights

The fund balance of the Town's general fund increased by \$166,917 during the fiscal year ending June 30, 2010. The undesignated portion of this fund balance increased by \$115,810 during the same period. The detail by category can be seen in Schedule A-2 in the Supplemental Information to the accompanying financial statements.

Capital Assets and Long-Term Debt

Capital assets The Town's investment in capital assets for its governmental activities as of June 30, 2010 amounts to \$4,813,389, net of accumulated depreciation. This investment in capital assets includes land, buildings, roads, and equipment. Additional information can be found in Note J in the accompanying financial statements. Major capital assets events during the fiscal year included the completion of the new fire station – \$497,909 – and total depreciation expense of \$181,609.

Long-term debt At the end of the fiscal year, the Town had total debt outstanding of \$856,567 . Additional information on the Town's long-term debt can be found in Note D to the accompanying financial statements.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Jonathan Duke, Town Administrator, Town of Hope, 441 Camden Road, Hope, Maine 04847.

TOWN OF HOPE
STATEMENTS OF NET ASSETS
JUNE 30, 2010 AND 2009

	GOVERNMENTAL FUNDS	BUSINESS-TYPE ACTIVITIES	2010 TOTAL	2009 TOTAL
ASSETS				
CURRENT ASSETS:				
Cash (Note B)	\$ 989,467	\$ -	\$ 989,467	\$ 751,107
Accounts Receivable (Note C)	3,089	1,304	4,393	4,069
Taxes Receivable	154,183		154,183	6,910
Tax Liens	59,256		59,256	158,866
Inventory		1,807	1,807	1,662
Due From Other Funds		10,594	10,594	6,238
Prepaid Expenses	36,474		36,474	4,643
Total Current Assets	<u>\$ 1,242,469</u>	<u>\$ 13,705</u>	<u>\$ 1,256,174</u>	<u>\$ 933,495</u>
PROPERTY, PLANT, AND EQUIPMENT:				
Net Property, Plant, and Equipment (Note J)	4,813,389		4,813,389	4,497,089
Total Assets	<u>\$ 6,055,858</u>	<u>\$ 13,705</u>	<u>\$ 6,069,563</u>	<u>\$ 5,430,584</u>
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES:				
Notes and Bonds Payable (Note D)	\$ 72,355	\$ -	\$ 72,355	\$ 60,007
Accounts Payable - Trade	65,726		65,726	56,903
Accrued Wages	78,099		78,099	76,041
Other Accrued Expenses	27,000		27,000	6,702
Due To Other Funds	10,594		10,594	6,238
Total Current Liabilities	<u>\$ 253,774</u>	<u>\$ -</u>	<u>\$ 253,774</u>	<u>\$ 205,891</u>
LONG-TERM LIABILITIES:				
Notes and Bonds Payable - Net of Current Portion (Note D)	784,212		784,212	304,102
Total Liabilities	<u>\$ 1,037,986</u>	<u>\$ -</u>	<u>\$ 1,037,986</u>	<u>\$ 509,993</u>
NET ASSETS:				
Invested in capital assets, net of related debt	\$ 3,938,502	\$ -	\$ 3,938,502	\$ 4,130,398
Restricted for:				
Nonexpendable Perpetual Care	25,025		25,025	24,185
Capital Projects	22,580		22,580	(76,240)
Other Purposes	166,958	13,705	180,663	121,879
Unrestricted	864,807		864,807	720,369
Total Net Assets	<u>\$ 5,017,872</u>	<u>\$ 13,705</u>	<u>\$ 5,031,577</u>	<u>\$ 4,920,591</u>
Total Liabilities and Net Assets	<u>\$ 6,055,858</u>	<u>\$ 13,705</u>	<u>\$ 6,069,563</u>	<u>\$ 5,430,584</u>

The accompanying notes are an integral part of the financial statements

TOWN OF HOPE
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2010 AND 2009

FUNCTIONS/PROGRAMS	EXPENSES	NET (EXPENSE) REVENUE AND CHANGE IN NET ASSETS			
		CHARGES FOR SERVICES	PROGRAM REVENUES OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL BUSINESS-TYPE ACTIVITIES
				2010 TOTAL	2009 TOTAL
Primary Government:					
Governmental Activities:					
General Government	\$ 422,310	\$ 20,592	\$ 300	\$ (401,418)	\$ (402,451)
Public Safety	108,242			(62,612)	(13,901)
Public Works	371,736		45,630	(337,176)	(418,002)
Sanitation	53,532		34,560	(53,532)	(57,971)
Culture and Recreation	1,514			(1,514)	(1,077)
Education	2,372,922		604,634	(1,768,288)	(1,832,217)
Other Miscellaneous		10,000		10,000	9,500
Cemetery	2,155	1,200		(955)	(2,100)
Interest	28,650			(28,650)	(14,140)
Intergovernmental on Behalf Payments					
Total Governmental Activities	\$ 3,511,386	\$ 31,792	\$ 150,325	\$ (2,644,145)	\$ (2,732,359)
Business-Type Activities:					
School Lunch Program	39,037	22,152	21,402	4,517	3,973
Total Primary Government	\$ 3,550,423	\$ 53,944	\$ 811,221	\$ (2,639,628)	\$ (2,728,386)
General Revenues:					
Taxes:					
Property Taxes				\$ 2,346,326	\$ 2,358,720
Excise Taxes				233,612	243,744
Interest and Costs on Taxes				14,233	13,183
Intergovernmental:					
State Revenue Sharing				89,225	108,379
Homestead Exemption				38,152	34,146
Tree Growth Reimbursement				5,619	6,340
Veterans' Exemption				882	436
General Assistance Reimbursement				1,000	
Tax Penalties Authorized by Statute				8,874	
Restricted Interest				2,788	1,106
Unrestricted Interest				7,149	7,267
Miscellaneous				2,754	4,180
Total General Revenues				\$ 2,750,614	\$ 2,777,501
Changes in Net Assets					
Net Assets, July 1				\$ 106,469	\$ 49,115
Net Assets, June 30				4,911,403	4,871,476
				\$ 5,017,872	\$ 4,920,591

The accompanying notes are an integral part of the financial statements

TOWN OF HOPE
 RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
 TO NET ASSETS OF GOVERNMENTAL ACTIVITIES
 FOR THE YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
GOVERNMENTAL FUND BALANCES:		
Total Governmental Fund Balances (Exhibit E)	\$ 919,313	\$ 649,576
Amounts reported for governmental activities in the Statements of Net Assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	4,813,389	4,497,089
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Deferred Tax Revenues	145,956	120,116
Accrued Interest on Taxes Receivable	14,101	11,313
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Notes Payable	(4,100)	(30,774)
Bonds Payable	(852,467)	(333,335)
Interest Payable	(18,320)	(2,582)
Net Assets of Governmental Activities (Exhibit A)	\$ 5,017,872	\$ 4,911,403

The accompanying notes are an integral part of the financial statements

TOWN OF HOPE
 RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENTS OF ACTIVITIES
 FOR THE YEARS ENDED JUNE 30, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Net Change in Fund Balances - Total Governmental Funds (Exhibit F)	\$ 269,737	\$ (114,316)
<p>Amounts reported for governmental activities in the Statements of Activities (Exhibit B) are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the Statements of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of:</p>		
Depreciation expense in the current period	(181,609)	(169,517)
Capital asset additions in the current period	497,909	241,483
<p>Revenues in the Statements of Activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
Deferred Property Tax Revenue	25,840	25,465
Accrued Property Tax Interest	2,788	1,106
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on the net assets.</p>		
Long-term debt repaid in the current period	60,007	60,246
New debt issued in the current period	(552,465)	
<p>Some expenses reported in the Statements of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
	(15,738)	675
Change in Net Assets of Governmental Activities (Exhibit B)	<u>\$ 106,469</u>	<u>\$ 45,142</u>

The accompanying notes are an integral part of the financial statements

TOWN OF HOPE
BALANCE SHEETS - GOVERNMENTAL FUNDS
JUNE 30, 2010 AND 2009

	GOVERNMENTAL FUND TYPES		SPECIAL REVENUE			CEMETERY MAINTENANCE	PERMANENT CEMETERY PERPETUAL CARE	TOTAL GOVERNMENT 2010	TOTAL GOVERNMENT 2009
	GENERAL FUND	CAPITAL PROJECTS	FEDERAL AND STATE PROGRAMS	OTHER GRANTS					
ASSETS:									
Cash	\$ 939,377	\$ 18,276	\$ -	\$ -	\$ -	\$ 6,789	\$ 25,025	\$ 989,467	\$ 751,107
Receivables:									
Taxes	154,183							154,183	6,910
Liens	45,155							45,155	147,553
Governmental Agencies	1,000							1,000	-
Other	2,089							2,089	2,700
Due From Other Funds	1,000	53,785	31,543	14,857				101,185	130,007
Prepaid Expenses	36,474							36,474	4,643
Total Assets	\$ 1,179,278	\$ 72,061	\$ 31,543	\$ 14,857	\$ 6,789	\$ 25,025	\$ 1,329,553	\$ 1,042,920	
LIABILITIES AND FUND EQUITY:									
Liabilities:									
Accounts Payable	\$ 16,245	\$ 49,481	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,726	\$ 56,822
Accrued Payroll	78,099							78,099	76,041
Other Accrued Expenses	8,680							8,680	4,120
Due To Other Funds	110,779				1,000			111,779	136,245
Deferred Revenues (Note G)	145,956							145,956	120,116
Total Liabilities	\$ 359,759	\$ 49,481	\$ -	\$ -	\$ 1,000	\$ -	\$ -	\$ 410,240	\$ 393,344
Fund Equity:									
Designated (Note F)	\$ 114,769	\$ 22,580	\$ 31,543	\$ 14,857	\$ 5,789	\$ 25,025	\$ 214,563	\$ 60,635	
Undesignated	704,750							704,750	588,941
Total Fund Equity	\$ 819,519	\$ 22,580	\$ 31,543	\$ 14,857	\$ 5,789	\$ 25,025	\$ 919,313	\$ 649,576	
Total Liabilities and Fund Equity	\$ 1,179,278	\$ 72,061	\$ 31,543	\$ 14,857	\$ 6,789	\$ 25,025	\$ 1,329,553	\$ 1,042,920	

The accompanying notes are an integral part of the financial statements

TOWN OF HOPE
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - GOVERNMENTAL FUNDS
FOR THE YEARS ENDED JUNE 30, 2010 AND 2009

	GENERAL FUND	SPECIAL REVENUE				PERMANENT CEMETERY PERPETUAL CARE	TOTAL 2010	TOTAL 2009
		CAPITAL PROJECTS	FEDERAL AND STATE PROGRAMS	OTHER GRANTS	CEMETERY MAINTENANCE			
REVENUES:								
Property and Excise Taxes	\$ 2,562,973	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,562,973	\$ 2,577,000
Licenses and Permits	14,574						14,574	10,269
Intergovernmental Revenues	566,443						566,443	661,271
Grants and Donations	300	45,630	185,180	22,450			253,560	184,231
Interest Income	17,857	308			32	541	18,738	16,881
Charges for Services	6,018				360	840	7,218	7,707
SAU Reorganization Support								2,500
Other Revenues	15,399						15,399	17,249
State Retirement Contribution (Note H)	150,325						150,325	154,502
Total Revenues	\$ 3,333,889	\$ 45,938	\$ 185,180	\$ 22,450	\$ 992	\$ 1,381	\$ 3,589,230	\$ 3,631,610
EXPENDITURES:								
Education	\$ 2,133,897	\$ 5,789	\$ 171,866	\$ 32,177	\$ -	\$ -	\$ 2,343,729	\$ 2,379,922
Roads and Bridges	300,942						300,942	386,124
County Tax	165,192						165,192	166,956
Town Administration - Salaries and Benefits	159,115						159,115	141,804
General Administration	35,512	7,000					42,512	33,291
Animal Control	9,524						9,524	9,607
Fire Department	61,528	497,910					559,438	258,142
Ambulance Services	6,165						6,165	6,156
Municipal Building	18,881						18,881	30,903
Street Lights	1,262						1,262	1,232
Sanitation	53,532						53,532	57,971
Professional Services	23,969	1,775					23,969	32,328
Tax Map Update							1,775	8,440
Cemeteries	1,795						1,795	2,100
Recreation Department	1,514						1,514	1,077
General Assistance	4,172						4,172	310
Debt Service	27,756						27,756	75,061
State Retirement Contribution	150,325						150,325	154,502
Total Expenditures	\$ 3,155,081	\$ 512,474	\$ 171,866	\$ 32,177	\$ 360	\$ -	\$ 3,871,958	\$ 3,745,926
Excess of Revenues Over (Under) Expenditures	\$ 178,808	\$ (466,536)	\$ 13,314	\$ (9,727)	\$ 32	\$ 1,381	\$ (282,728)	\$ (114,316)
OTHER FINANCING SOURCES (USES):								
Operating Transfers - In	\$ 1,000	\$ 12,891	\$ -	\$ -	\$ 541	\$ -	\$ 14,432	\$ 20,902
Operating Transfers - Out	(12,891)				(1,000)	(541)	(14,432)	(20,902)
Bonds Issued		552,465					552,465	
Total Other Financing Sources (Uses)	\$ (11,891)	\$ 565,356	\$ -	\$ -	\$ (459)	\$ (541)	\$ 552,465	\$ -
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ 166,917	\$ 98,820	\$ 13,314	\$ (9,727)	\$ (427)	\$ 840	\$ 269,737	\$ (114,316)
Fund Balance (Deficit), July 1	\$ 652,602	\$ (76,240)	\$ 19,675	\$ 23,138	\$ 6,216	\$ 24,185	\$ 649,576	\$ 763,892
Fund Balance, June 30	\$ 819,519	\$ 22,580	\$ 32,989	\$ 13,411	\$ 5,789	\$ 25,025	\$ 919,313	\$ 649,576

The accompanying notes are an integral part of the financial statements

TOWN OF HOPE
STATEMENTS OF REVENUES, EXPENSES, AND
CHANGES IN FUND BALANCES - PROPRIETARY FUND TYPE
ENTERPRISE - SCHOOL LUNCH PROGRAM
FOR THE YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
REVENUES:		
Sales	\$ 22,152	\$ 20,421
Subsidy	19,786	17,517
Donated Commodities (Note M)	1,616	
Total Revenues	<u>\$ 43,554</u>	<u>\$ 37,938</u>
EXPENSES:		
Food and Supplies	\$ 19,988	\$ 18,479
Labor	18,359	15,486
Other Expenses	690	
Total Expenses	<u>\$ 39,037</u>	<u>\$ 33,965</u>
Net Income	<u>\$ 4,517</u>	<u>\$ 3,973</u>
Retained Earnings, July 1	9,188	5,215
Retained Earnings, June 30	<u><u>\$ 13,705</u></u>	<u><u>\$ 9,188</u></u>

STATEMENTS OF CASH FLOWS - PROPRIETARY FUND TYPE
ENTERPRISE - SCHOOL LUNCH PROGRAM
FOR THE YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES:		
Received from Customers	\$ 22,152	\$ 20,421
Received from the State	19,851	17,249
Payments to Suppliers for Goods and Services	(37,647)	(35,137)
Net Amount Transferred to Town	(4,356)	(2,533)
Net Cash Provided by Operating Activities	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

The accompanying notes are an integral part of the financial statements

TOWN OF HOPE
 STATEMENTS OF FIDUCIARY NET ASSETS - AGENCY FUNDS
 FOR THE YEARS ENDED JUNE 30, 2010 AND 2009

	STUDENT ACTIVITY FUND	
	2010	2009
ASSETS		
ASSETS:		
Cash (Note B)	\$ 17,116	\$ 15,074
LIABILITIES AND FUND BALANCES		
LIABILITIES:		
Accounts Payable	\$ 17,116	\$ 15,074
FUND BALANCES		
Total Liabilities and Fund Balances	\$ 17,116	\$ 15,074

The accompanying notes are an integral part of the financial statements

TOWN OF HOPE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies of the Town of Hope conform to generally accepted accounting principles as applicable to governmental units.

1. Financial Reporting Entity

The Town of Hope was incorporated in 1804. The town operates under a town meeting form of government.

In evaluating the Town of Hope as a reporting entity, management has addressed all potential component units. The primary criteria for including a component reporting entity is the exercise of financial accountability by the Town of Hope's municipal officials.

The Town's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is responsible for establishing Generally Accepted Accounting Principles (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 are used by the Town as discussed below.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. Certain significant changes in the Statement include the following:

1.) The financial statements now include:

- A Management's Discussion and Analysis (MD&A) section providing an analysis of the Town's overall financial position and results of operations.
- Financial statements prepared using full accrual accounting for all of the Town's activities, including infrastructure (roads, bridges, etc.).

2.) A change in the fund financial statements to focus on the major funds.

2. Basic Financial Statements - Government-Wide 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 governmental. The Town's fire protection, recreation, public works, and general administrative services are classified as governmental activities.

TOWN OF HOPE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

2. Basic Financial Statements - Government-Wide Statements (Cont'd)

In the government-wide Statements of Net Assets, the governmental column is presented on a consolidated basis by column, and is reported on a full accrual, economic resource 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.

The government-wide Statements of Activities reports both the gross and net cost of each of the Town's functions (fire, public works, administrative, etc.). The functions are also supported by general government revenues (property, certain intergovernmental revenues, fines, permits, and charges, etc.). The Statements of Activities reduces gross expenses (including depreciation) by related program revenues, and operating and capital grants. Program revenues must be directly associated with the function (fire, public works, etc.). Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property, intergovernmental revenues, interest income, etc.).

This 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.

3. Basic Financial Statements - Fund Financial Statements

The financial transactions of the Town are reported in 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:

a. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in 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:

1. General Fund:

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 HOPE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

3. Basic Financial Statements - Fund Financial Statements (Cont'd)

a. Governmental Funds (cont'd):

2. Fiduciary Funds:

Fiduciary Funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support Town programs. The reporting focus is on net assets and changes in net assets and is reported using accounting principles similar to proprietary funds.

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

The Town's fiduciary funds are presented in the fiduciary fund financial statements. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

3. Proprietary Funds:

The Proprietary Fund is the fund used to account for all financial resources relating to the school nutrition program. The generally accepted accounting principles applicable are those similar to business in the private sector.

4. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied:

a. 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.

b. Modified Accrual:

The 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, if any, is recognized when due.

TOWN OF HOPE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

5. Financial Statement Amounts

a. Cash and Cash Equivalents:

The Town has defined cash and cash equivalents to include cash on hand, demand deposits, and cash with fiscal agents. Statutes authorize the Treasurer of the Town, as directed by the municipal officers, to invest all municipal funds, including reserve and trust funds, to the extent that the terms of the instrument, order, or article creating the fund do not prohibit the investment in financial institutions as described in Section 5706 MRSA and securities as described in Sections 5711 through 5717 MRSA.

b. Capital Assets:

Capital assets purchased or acquired with an original cost of \$20,000 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 basis over the following estimated useful lives:

Buildings	50-75 Years
Machinery and Equipment	10-30 Years
Improvements	25-40 Years
Other Infrastructure	50 Years

c. Revenues:

Substantially, all governmental fund revenues are accrued. Property taxes are billed and collected within the same period in which the taxes are levied. In applying GASB No. 33 to grant revenues, the provider recognizes liabilities and expenses and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and deferred revenue by the recipient.

d. Expenditures:

Expenditures are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period purchased.

e. Compensated Absences:

The Town accrues accumulated unpaid vacation and sick leave and associated employee-related costs when earned (or estimated to be earned) by the employee.

TOWN OF HOPE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

5. Financial Statements Amounts (Cont'd)

f. Use of Estimates:

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

NOTE B - CASH:

Cash

The Town's cash is categorized to give an indication of the level of risk assumed by the Town at year end. These Categories are defined as follows:

Category #1 - Insured or collateralized with securities held by the Town or by its agent in the Town's name.

Category #2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the Town's name.

Category #3 - Uncollateralized (This includes any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the Town's name.)

ACCOUNT TYPE	CARRYING AMOUNT	BANK BALANCE	CATEGORY		
			#1	#2	#3
Interest Bearing Accounts	\$ 985,661	\$ 985,616	\$ 250,000	\$ 735,616	\$
Non-Interest Bearing Accounts	3,806	57,998	57,998		
	<u>\$ 989,467</u>	<u>\$ 1,043,614</u>	<u>\$ 307,998</u>	<u>\$ 735,616</u>	<u>\$</u>

The Town of Hope entered into an agreement with Camden National Bank to collateralize cash accounts on December 6, 2005.

NOTE C - ACCOUNTS RECEIVABLE:

Accounts Receivable at June 30, 2010 consists of the following:

Due From State of Maine	\$ 1,000
Miscellaneous	2,089
	<u>\$ 3,089</u>

TOWN OF HOPE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE D - NOTES AND BONDS PAYABLE:

	BALANCE JULY 1, 2009	INCREASES	DECREASES	BALANCE JUNE 30, 2010
Maine Municipal Bond Bank	\$ 333,335		\$ 33,333	\$ 300,002
The First		552,465		552,465
Camden National Bank	24,760		24,760	
Skowhegan Savings Bank	6,014		1,914	4,100
	<u>\$ 364,109</u>	<u>\$ 552,465</u>	<u>\$ 60,007</u>	<u>\$ 856,567</u>

	INTEREST RATE	MATURITY DATE	BALANCE JUNE 30, 2010
Construction Bond for School Addition	2.1 - 4.2%	11/1/2018	\$ 300,002
Construction Bond for Fire Station	4.46%	7/15/2024	\$ 552,465
Note for Purchase of Copier	5.00%	4/5/2012	\$ 6,014

	PRINCIPAL	INTEREST
Annual Amortization:		
Year Ending 2011	\$ 72,355	\$ 28,397
2012	72,073	32,757
2013	70,164	29,926
2014	70,164	27,022
2015	70,165	24,161
2016-2020	317,491	76,781
2021-2025	184,155	24,644
	<u>\$ 856,567</u>	<u>\$ 243,688</u>

NOTE E - GENERAL FUND BUDGET:

The Town operates on a net budget as compared with a gross budget. All revenues are not estimated, but are credited to the particular operating account.

NOTE F - DESIGNATED FOR SUBSEQUENT YEARS' EXPENDITURES:

Historically, the townspeople vote to carry certain departmental unexpended balances forward to the following year for expenditure. This is usually in lieu of additional appropriations in any particular account.

Education	\$ 73,514
Roads	\$ 34,550
General Administration	\$ 900
Municipal Building	\$ 3,500
Cemeteries	\$ 2,305

TOWN OF HOPE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE G - REVENUE RECOGNITION - PROPERTY TAXES:

The Town's property tax for the current year was levied July 14, 2009 on the assessed value listed as of April 1, 2009 for all taxable real and personal property located in the Town. Taxes were due September 30, 2009 and April 30, 2010. Interest accrued at 7.0% on October 1, 2009 and May 1, 2010.

Tax liens are filed against delinquent real estate taxpayers after eight months but within one year of the original tax commitment. If the tax, interest, and costs have not been paid eighteen months after the filing of a lien certificate then the lien is automatically foreclosed.

The National Council on Governmental Accounting (N.C.G.A.) Interpretation No. 3 requires that property tax revenue be recognized only to the extent it will be collected within sixty days following the year end. The deferred tax revenue shown on the balance sheet represents property taxes not expected to be collected within sixty days after the year end.

Property taxes are recognized when they become available. Available includes those taxes expected to be collected within sixty days after year end as stated above. The amount of property taxes in excess of sixty days totals \$145,956.

NOTE H - RETIREMENT PLAN:

Public school teachers contribute to the Maine State Retirement System ("System"), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for public school teachers, state employees and political subdivisions. All public school teachers participate in the Maine State Retirement System and, if vested with ten years of service prior to July 1993, are eligible for normal retirement upon attaining the age of sixty and after completing twenty-five or more years of creditable service. Vested participants are entitled to a retirement benefit equal to a fraction of the average final compensation multiplied by the years of membership service (discounted for early retirement). The System also provides death, disability, and health insurance benefits. These benefit provisions and all other requirements are established by state statute.

Teachers are required to contribute a portion of their annual salary to the System. The State of Maine contributes the remaining amounts necessary to fund the System, using the actuarial basis specified by statute. The covered payroll for teachers is approximately \$885,245. As required by accounting standards, the amount paid on behalf of the school department by the State of Maine has been recorded as a revenue and an expenditure which amounts to \$150,325. The only exception is the contribution required for federally funded teachers for which the Town contributes 17.78% of their compensation. The cost amounted to \$7,072 for the year ended June 30, 2010. Information concerning the pension benefit obligation for public teachers is available from the Maine State Retirement System.

TOWN OF HOPE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE I - EXPENDITURES IN EXCESS OF APPROPRIATIONS:

During the year expenditures exceeded total appropriations in the following general fund categories:

FUNCTION	APPROPRIATION AND REVENUE	EXPENDITURES	VARIANCE
Salaries and Benefits	\$ 145,862	\$ 159,115	\$ 13,253
General Assistance	\$ 2,000	\$ 4,172	\$ 2,172
Animal Control	\$ 9,462	\$ 9,524	\$ 62
Recreation	\$ 1,420	\$ 1,514	\$ 94

The variance in Salaries and Benefits resulted from a separation agreement upon the retirement of a long-time employee. There were far more requests for general assistance than there were in the past which were not budgeted. There was one invoice each in Animal Control and Recreation that had not been budgeted.

NOTE J - PROPERTY, PLANT, AND EQUIPMENT:

The following is a summary of changes in fixed assets at June 30, 2010:

	BALANCE JULY 1, 2009	ADDITIONS	DISPOSALS	BALANCE JUNE 30, 2010
Land and Land Improvements	\$ 294,188	\$	\$	\$ 294,188
Buildings	3,756,751	704,592		4,461,343
Equipment and Vehicles	455,098			455,098
Infrastructure	3,437,941			3,437,941
Work in Process	206,683	(206,683)		
	<u>\$ 8,150,661</u>	<u>\$ 497,909</u>	<u>\$</u>	<u>\$ 8,648,570</u>
Accumulated Depreciation	(3,653,572)	(181,609)	\$	(3,835,181)
Net Property, Plant, and Equipment	<u>\$ 4,497,089</u>	<u>\$ 316,300</u>	<u>\$</u>	<u>\$ 4,813,389</u>

Depreciation expense for the period totaled \$181,609. The expense for the period is broken down as follows:

General Government	\$ 6,695
Public Safety	\$ 29,763
Public Works	\$ 70,795
Education	\$ 74,356

NOTE K - 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; injuries to employees; and natural disasters. All significant losses are covered by commercial insurance. There has been no significant reduction in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

TOWN OF HOPE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE L - OVERLAPPING DEBT:

The Town of Hope is situated in Knox County and is therefore subject to annual assessment of its proportional share of county expenses. There is no long-term debt in Knox County for which the Town of Hope would be proportionally responsible.

The Town of Hope participates in the Mid-Coast Solid Waste Corporation and is subject to annual assessment of its proportional share of the Corporation's expenses. Long-term debt outstanding at June 30, 2010 for the district totaled \$395,995 of which the Town of Hope would be responsible for 8.71% or \$34,491.

NOTE M - DONATED COMMODITIES:

The School Lunch Program received food with a value of \$1,616 from the U.S. Department of Agriculture during the year. This amount has been reflected in revenues and food expense.

TOWN OF HOPE
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010

	BUDGET	CARRIED FORWARD	ACTUAL	LAPSED VARIANCE FAVORABLE (UNFAVORABLE)	CARRIED VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:					
General Property Taxes	\$ 2,350,750	\$ -	\$ 2,333,787	\$ (16,963)	\$ -
Abatements	(75,266)		(4,426)	70,840	
Excise Taxes - Automobile	235,000		229,966	(5,034)	
Excise Taxes - Boats			3,646	3,646	
Dog Licenses			2,052	2,052	
Building and Plumbing Permits			12,372	12,372	
Intergovernmental:					
Education Subsidy	401,883	(24,967)	397,004		(29,846)
Revenue Sharing	90,000		89,225	(775)	
Local Road Assistance	40,000		34,560	(5,440)	
Homestead Exemption Reimbursement	38,152		38,152		
Veterans' Reimbursement			882	882	
Tree Growth Reimbursement			5,620	5,620	
General Assistance Reimbursement	1,000		1,000		
Interest:					
Delinquent Taxes			11,589	11,589	
Operating Funds			6,268	6,268	
Charges for Services			6,018	6,018	
Rental Income	10,000		10,000		
Donations			300	300	
Miscellaneous	50,000		5,549	(44,451)	
Total Revenues	\$ 3,141,519	\$ (24,967)	\$ 3,183,564	\$ 46,924	\$ (29,846)
EXPENDITURES:					
Education	\$ 2,193,748	\$ 43,509	\$ 2,133,897	\$ -	\$ 103,360
Roads and Bridges	372,270	42,000	300,942	78,778	34,550
County Tax	165,192		165,192		
Salaries and Benefits	145,862		159,115	(13,253)	
General Administration	38,213	912	35,512	2,713	900
Animal Control	9,462		9,524	(62)	
Public Safety	63,919		61,528	2,391	
Ambulance Services	6,165		6,165		
Municipal Building	22,245	308	18,881	172	3,500
Street Lights	1,365		1,262	103	
Sanitation	53,532		53,532		
Professional Services	24,080		23,969	111	
Cemeteries	2,200	1,900	1,795		2,305
Recreation Department	1,420		1,514	(94)	
General Assistance	2,000		4,172	(2,172)	
Debt Service	27,955		27,756	199	
Total Expenditures	\$ 3,129,628	\$ 88,629	\$ 3,004,756	\$ 68,886	\$ 144,615
Excess of Revenues Over (Under) Expenditures	\$ 11,891	\$ (113,596)	\$ 178,808	\$ 115,810	\$ 114,769
OTHER FINANCING SOURCES (USES):					
Transfers In	\$ 1,000	\$ -	\$ 1,000	\$ -	\$ -
Transfers Out	(12,891)		(12,891)		
Total Other Financing Sources (Uses)	\$ (11,891)	\$ -	\$ (11,891)	\$ -	\$ -
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ -	\$ (113,596)	\$ 166,917	\$ 115,810	\$ 114,769
Fund Balance, July 1, 2009	273,937		652,602	358,330	
Fund Balance (Deficit), June 30, 2010	\$ 273,937	\$ (113,596)	\$ 819,519	\$ 474,140	\$ 114,769

TOWN OF HOPE
STATEMENT OF CHANGES IN UNRESTRICTED FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2010

Unrestricted Fund Balance, July 1, 2009		\$ 588,940
INCREASES:		
Actual Over Estimated Revenue	\$ 46,924	
Budgeted Over Actual Expenditures	<u>68,886</u>	
		115,810
DECREASES		
Unrestricted Fund Balance, June 30, 2010		<u><u>\$ 704,750</u></u>

TOWN OF HOPE
VALUATION, ASSESSMENT, AND COLLECTIONS
FOR THE YEAR ENDED JUNE 30, 2010

VALUATION:

Real Estate	\$ 184,997,900	
Personal Property	832,200	

Total

	<u>\$ 185,830,100</u>	
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ASSESSMENT:

Valuation x Rate (\$185,830,100 X .01265)	\$ 2,350,751	
Supplemental Taxes	<u>8,874</u>	

		\$ 2,359,625
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COLLECTIONS AND CREDITS:

Cash Collections	\$ 2,200,774	
Abatements	<u>4,426</u>	

Total Collections and Credits

		2,205,200
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2009-2010 Taxes Receivable

		<u>\$ 154,425</u>
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COMPUTATION OF ASSESSMENT

Tax Commitment	\$ 2,350,751	
State Revenue Sharing	90,000	
Homestead Reimbursement	38,152	
Local Road Assistance	40,000	
Miscellaneous	50,000	
Excise Taxes	235,000	
Rental Income	10,000	
General Assistance Reimbursement	1,000	
Cemetery Trust Funds	<u>1,000</u>	

		\$ 2,815,903
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REQUIREMENTS:

Appropriations	\$ 2,575,445	
County Tax	<u>165,192</u>	

		<u>2,740,637</u>
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OVERLAY

		<u>\$ 75,266</u>
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TOWN OF HOPE
RECONCILIATION OF TREASURER'S CASH BALANCE
JUNE 30, 2010

GENERAL FUND CHECKING:

Camden National Bank - General Fund

Balance Per Bank Statement	\$	7,337	
Add: Deposit in Transit		13,425	
Less: Outstanding Checks		<u>17,056</u>	
Balance, June 30, 2010	\$		3,706

Camden National Bank - School Checking Account

Balance Per Bank Statement	\$	50,561	
Less: Outstanding Checks		<u>50,561</u>	
Balance, June 30, 2010			-

GENERAL FUND SAVINGS:

Camden National Bank - Money Market Account

Balance Per Bank Statement 6/24/2010	\$	915,571	
Add: Transfer from checking on 6/30/2010		<u>20,000</u>	
Balance, June 30, 2010			935,571

PETTY CASH

100

Total, June 30, 2010

	\$	<u>939,377</u>	
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TOWN OF HOPE
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 FIDUCIARY FUND TYPE - AGENCY - STUDENT ACTIVITY FUND
 FOR THE YEAR ENDED JUNE 30, 2010

	BALANCE 07/01/09	CASH RECEIPTS AND OTHER CREDITS	CASH DISBURSEMENTS AND OTHER DEBITS	BALANCE 06/30/10
CHECKING:				
Class of 2012-2019	\$ -	\$ 240	\$ -	\$ 240
Class of 2011		264		264
Class of 2010		12,471	10,641	1,830
Class of 2009	(255)	255		
Class of 2008	105		105	
Athletic Fund		336		336
Benner, Deb	246	427	264	409
Camp Kieve Fund	171	3,346	2,323	1,194
Cheer Fund	222	515	535	202
Cook, Joan	501	175	253	423
Davis, Jonathan	(8)	217	170	39
Farnsworth, Jen	143	175	145	173
Fundraising	5,333	12,749	13,849	4,233
Goeke, Melissa	261	200	169	292
Guidance	837		20	817
Holt, Lisa		524	256	268
Juice and Water	614	681	811	484
Laptop Insurance	2,296	1,098	2,296	1,098
Library	(241)	4,274	3,984	49
Middle Level	116			116
Morin, Calvin	420	175	174	421
Music	631	9	640	
O'Connor, Chris	349		349	
Pen Pal Program	365		365	
Petty Cash	(322)	2,306	2,897	(913)
Scholarship	563	292	400	455
Soule, Rosemary	42	276	145	173
Student Council	(14)	451	60	377
Technology		727		727
Wade, Erik	48	200	73	175
Willis Memorial Garden	244	400	120	524
Yearbook	697	2,760	1,998	1,459
Total Checking	\$ 13,364	\$ 45,543	\$ 43,042	\$ 15,865
SAVINGS:				
Class of 2010	\$ 460	\$ -	\$ 460	\$ -
Class of 2011	254	1		255
Class of 2012	166			166
Class of 2013	166			166
Class of 2014	166			166
Class of 2015	166			166
Class of 2016	166			166
Class of 2017	166			166
Total Savings	\$ 1,710	\$ 1	\$ 460	\$ 1,251
Total	\$ 15,074	\$ 45,544	\$ 43,502	\$ 17,116