

The University of Maine

DigitalCommons@UMaine

---

Maine Town Documents

Maine Government Documents

---

2009

## Town of Bucksport Annual Financial Report 2009

Bucksport, Me.

Follow this and additional works at: <https://digitalcommons.library.umaine.edu/towndocs>

---

This Financial Report is brought to you for free and open access by DigitalCommons@UMaine. It has been accepted for inclusion in Maine Town Documents by an authorized administrator of DigitalCommons@UMaine. For more information, please contact [um.library.technical.services@maine.edu](mailto:um.library.technical.services@maine.edu).

Federal Compliance Audit

Town of Bucksport, Maine

June 30, 2009



*Proven Expertise and Integrity*

TOWN OF BUCKSPORT, MAINE

CONTENTS

JUNE 30, 2009

	PAGE
INDEPENDENT AUDITORS' REPORT	1 - 2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3 - 11
<u>BASIC FINANCIAL STATEMENTS</u>	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT A - STATEMENT OF NET ASSETS	12
STATEMENT B - STATEMENT OF ACTIVITIES	13 - 14
<u>FUND FINANCIAL STATEMENTS</u>	
STATEMENT C - BALANCE SHEET - GOVERNMENTAL FUNDS	15
STATEMENT D – RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET ASSETS	16
STATEMENT E - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	17
STATEMENT F - RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	18
STATEMENT G – BALANCE SHEET – PROPRIETARY FUNDS	19
STATEMENT H – STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS – PROPRIETARY FUNDS	20
STATEMENT I – STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS	21 - 22
STATEMENT J – STATEMENT OF FIDUCIARY NET ASSETS – FIDUCIARY FUNDS	23
NOTES TO FINANCIAL STATEMENTS	24 - 41

## REQUIRED SUPPLEMENTARY INFORMATION

REQUIRED SUPPLEMENTARY INFORMATION DESCRIPTION	42
SCHEDULE 1 - BUDGETARY COMPARISON SCHEDULE – BUDGETARY BASIS - BUDGET AND ACTUAL – GENERAL FUND	43

## OTHER SUPPLEMENTARY INFORMATION

OTHER SUPPLEMENTARY INFORMATION DESCRIPTION	44
SCHEDULE A – BUDGETARY COMPARISON SCHEDULE – BUDGETARY BASIS - BUDGET AND ACTUAL – GENERAL FUND REVENUES	45 - 46
SCHEDULE B - SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND	47 - 48
SCHEDULE C – SCHEDULE OF DEPARTMENTAL OPERATIONS – SCHOOL DEPARTMENT	49 - 51
SCHEDULE D – COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS	52
SCHEDULE E - COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS	53
SPECIAL REVENUE FUNDS DESCRIPTION	54
SCHEDULE F - COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS	55 - 63
SCHEDULE G – COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – NONMAJOR SPECIAL REVENUE FUNDS	64 - 72
CAPITAL PROJECTS DESCRIPTION	73
SCHEDULE H – COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECT FUNDS	74 - 78
SCHEDULE I – COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – NONMAJOR CAPITAL PROJECT FUNDS	79 - 83
PERMANENT FUNDS DESCRIPTION	84
SCHEDULE J – COMBINING BALANCE SHEET – NONMAJOR PERMANENT FUNDS	85

SCHEDULE K – COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES – NONMAJOR PERMANENT FUNDS	86
GENERAL CAPITAL ASSETS DESCRIPTION	87
SCHEDULE L – SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION	88
SCHEDULE M – SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS BY FUNCTION	89

### FEDERAL COMPLIANCE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	90 - 92
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	93
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	94 - 95
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133	96 - 97
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – SUMMARY OF AUDITORS' RESULTS	98

### STATE COMPLIANCE

INDEPENDENT AUDITORS' REPORT ON SCHEDULE OF AGREEMENT OPERATIONS	99 - 100
SCHEDULE A - SCHEDULE OF AGREEMENT OPERATIONS – DEPARTMENT OF HUMAN SERVICES PROGRAMS	101
NOTES TO SCHEDULE OF AGREEMENT OPERATIONS – DEPARTMENT OF HUMAN SERVICES PROGRAMS	102
INDEPENDENT AUDITORS' REPORT ON THE INTERNAL CONTROL STRUCTURE USED IN ADMINISTERING DEPARTMENT PROGRAMS	103 - 105
INDEPENDENT AUDITORS' COMBINED REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO DEPARTMENT AGREEMENTS	106

ACCOUNTANTS' COMPILATION REPORT ON AGREEMENT SETTLEMENT FORMS	107
AGREEMENT SETTLEMENT FORMS	108 – 111
INDEPENDENT AUDITORS' REPORT ON STATE REQUIREMENTS	112
RECONCILIATION OF AUDIT ADJUSTMENTS TO ANNUAL FINANCIAL DATA SUBMITTED TO THE MEDMS FINANCIAL SYSTEM	113

3 Old Orchard Road  
Buxton, Maine 04093  
(800) 300-7708  
Tel: (207) 929-4606  
Fax: (207) 929-4609

www.rhrsmith.com



192 Main Street, Suite 4  
P.O. Box 463  
Machias, Maine 04654  
(800) 300-7708  
Tel: (207) 255-3700  
Fax: (207) 255-3750

www.rhrsmith.com

## INDEPENDENT AUDITORS' REPORT

August 6, 2009

Town Council  
Town of Bucksport  
Bucksport, Maine

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Bucksport, 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 of Bucksport, Maine's management. Our responsibility is to express an opinion 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, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Maine Uniform Accounting and Auditing Practices for Community Agencies. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Bucksport, Maine as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

*Proven Expertise and Integrity*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 6, 2009, on our consideration of the Town of Bucksport, Maine's internal control over financial reporting and on our tests of its compliance with certain laws and provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 3 through 11 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 Bucksport, Maine's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of the Town of Bucksport, Maine. The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards 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.

*RHR Smith & Company*

Certified Public Accountants

**REQUIRED SUPPLEMENTARY INFORMATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2009**

**(UNAUDITED)**

The following management's discussion and analysis of the Town of Bucksport, Maine's financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2009. Please read it in conjunction with the Town's financial statements.

**Financial Statement Overview**

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

**Basic Financial Statements**

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

**Government - Wide Financial Statements**

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

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

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

Both of the above mentioned financial statements have separate columns for the two different types of town activities. The types of activities presented for the Town of Bucksport are:

- *Governmental activities* – The activities in this section are mostly supported by taxes and intergovernmental revenues (federal and state grants). Most of the Town's basic services are reported in governmental activities, which include general government, protection, public works, health and sanitation, education, recreation, community and social agencies, and other unclassified.
- *Business-type activities* – These activities are normally intended to recover all or a significant portion of their costs through user fees and / or charges to external users for goods and / or services. These activities for the Town of Bucksport include the sewer fund.

### **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 of Bucksport, like other local governments uses fund accounting to ensure and demonstrate compliance with financial related legal requirements. All of the funds of the Town of Bucksport can be divided into two categories: governmental funds, proprietary funds and fiduciary funds.

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

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

reconciliations are presented on the page immediately following each governmental fund financial statement.

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

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

*Proprietary Funds:* The Town of Bucksport maintains one proprietary fund, the sewer department. This fund is used to show activities that operate more like those of commercial enterprises. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Like the government-wide financial statements, proprietary fund financial statements use the accrual basis of accounting. No reconciliation is needed between the government-wide financial statements for business-type activities and the proprietary fund financial statements.

*Fiduciary Funds:* These funds are used to account for resources held for the benefit of parties outside the Town of Bucksport. 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 accounting used for fiduciary funds are much like that of proprietary funds. They use the accrual basis of accounting.

### **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and the Fund Financial Statements. The Notes to Financial Statements can be found following the Fiduciary Fund Financial Statements.

### **Required Supplementary Information**

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

### **Other Supplementary Information**

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

## Government-Wide Financial Analysis

Our analysis below focuses on the net assets, and changes in net assets of the Town's governmental activities. The Town's total net assets for governmental activities increased by \$2,017,528 from \$35.06 million to \$37.08 million. For the business-type activities the Town's total net assets decreased by \$343,191 from \$5.40 million to \$5.05 million.

Unrestricted net assets - the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements - increased for the governmental activities by \$615,744 to a balance of \$7,003,380 at the end of the fiscal year. For the business-type activities, the unrestricted net assets decreased by \$27,329 to a balance of \$690,480.

**Table 1**  
**Town of Bucksport, Maine**  
**Net Assets**  
**June 30,**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
<b>Assets:</b>				
Current and other assets	\$ 13,071,364	\$ 12,965,912	\$ 716,888	\$ 784,041
Capital Assets	32,397,773	31,128,976	6,647,671	7,073,191
Total Assets	<u>\$ 45,469,137</u>	<u>\$ 44,094,888</u>	<u>\$ 7,364,559</u>	<u>\$ 7,857,232</u>
<b>Liabilities:</b>				
Current Liabilities	\$ 2,281,339	\$ 2,183,832	\$ 99,140	\$ 175,904
Long-term Debt Outstanding	6,112,636	6,853,422	2,211,010	2,283,728
Total Liabilities	<u>\$ 8,393,975</u>	<u>\$ 9,037,254</u>	<u>\$ 2,310,150</u>	<u>\$ 2,459,632</u>
<b>Net Assets:</b>				
Invested in Capital Assets, Net of related Debt	\$ 25,794,309	\$ 23,790,051	\$ 4,363,929	\$ 4,679,791
Restricted: General Fund	1,449,461	1,099,503	-	-
Special Revenue Funds	954,729	865,865	-	-
Capital Project Funds	1,715,429	2,744,475	-	-
Permanent Funds	157,854	170,104	-	-
Other Net Assets	<u>7,003,380</u>	<u>6,387,636</u>	<u>690,480</u>	<u>717,809</u>
Total Net Assets	<u>\$ 37,075,162</u>	<u>\$ 35,057,634</u>	<u>\$ 5,054,409</u>	<u>\$ 5,397,600</u>

## Revenues and Expenses

Revenues for the Town's governmental activities decreased by 3.67%, while total expenses decreased by 5.30%. For the business-type activities revenues decreased by 42.06% due to a decrease in capital contributions, while total expenses increased by 21.25%.

**Table 2**  
**Town of Bucksport, Maine**  
**Change in Net Assets**  
**For the Years Ended June 30,**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
<b>Revenue</b>				
Taxes	\$ 9,590,280	\$ 9,856,619	\$ -	\$ -
Intergovernmental	7,481,275	8,391,131	-	-
Charges for services	3,105,131	2,839,707	485,300	459,583
Miscellaneous	1,243,974	1,149,811	28,182	56,868
Capital contributions	-	-	206,430	729,427
<b>Total Revenue</b>	<b>21,420,660</b>	<b>22,237,268</b>	<b>719,912</b>	<b>1,245,878</b>
<b>Expenses</b>				
General government	1,287,405	1,176,921	-	-
Protection	1,463,394	1,370,385	-	-
Public works	537,356	1,074,931	-	-
Health and sanitation	386,360	388,953	-	-
Community and social agencies	199,446	186,023	-	-
Education	12,377,104	12,281,040	-	-
On-behalf payments - State of Maine	1,069,572	1,883,921	-	-
Environment & housing	1,670	109,336	-	-
Recreation	276,887	252,745	-	-
Cemeteries	19,903	8,370	-	-
Tax increment financing agreement	786,895	963,633	-	-
Debt service	356,604	393,205	-	-
County tax	240,444	256,042	-	-
Capital outlay	510,005	231,104	-	-
Sewer fund	-	-	761,736	619,682
Unallocated depreciation	49,371	45,636	-	-
Unclassified	108,953	150,563	-	8,563
<b>Total Expenses</b>	<b>19,671,369</b>	<b>20,772,808</b>	<b>761,736</b>	<b>628,245</b>
<b>Change in Net Assets</b>	<b>1,749,291</b>	<b>1,464,460</b>	<b>(41,824)</b>	<b>617,633</b>
<b>Transfers</b>	<b>(15,412)</b>	<b>(173,574)</b>	<b>15,412</b>	<b>174,433</b>
<b>Net Assets - July 1</b>	<b>35,057,634</b>	<b>33,766,748</b>	<b>5,397,600</b>	<b>4,605,534</b>
<b>Prior Period Adjustment</b>	<b>283,649</b>	<b>-</b>	<b>(318,779)</b>	<b>-</b>
<b>Net Assets - July 1, restated</b>	<b>35,341,283</b>	<b>33,766,748</b>	<b>5,078,821</b>	<b>4,605,534</b>
<b>Net Assets - June 30</b>	<b>\$ 37,075,162</b>	<b>\$ 35,057,634</b>	<b>\$ 5,052,409</b>	<b>\$ 5,397,600</b>

Transfers to and from other funds in the governmental funds decreased from last year because of a large one-time transfer last year of \$1,500,000 for the high school building project.

## Financial Analysis of the Town's Fund Statements

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

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

	<u>2009</u>	<u>2008</u>
General Fund:		
Unreserved:		
Designated	\$ 1,467,113	\$ 959,852
Undesignated	7,061,703	6,701,559
Total General Fund	<u>\$ 8,528,816</u>	<u>\$ 7,661,411</u>
Nonmajor Funds:		
Reserved for endowments	\$ 71,199	\$ 71,199
Unreserved:		
Special Revenue Funds:		
Designated	954,729	865,865
Undesignated	(12,819)	(63,965)
Capital Project Funds	1,715,429	2,744,475
Permanent Funds	86,655	98,905
Total Nonmajor Funds	<u>\$ 2,815,193</u>	<u>\$ 3,716,479</u>

The general fund total fund balance increased by \$867,405 over the prior fiscal year. The non-major fund balances decreased by \$901,286 over the prior fiscal year. Most of the increase in the general fund came as a result of under-spent appropriations in most of the expenditure categories and several over-budget revenue categories. The decrease in the non-major fund balances came as a result of considerable expenditures in the capital project funds. Those funds alone had a deficit of \$1,029,046 which represents capital outlays in excess of current year appropriations. Substantially all of the deficit was due to expenditures on high school renovations of \$993,879 appropriated in the previous fiscal year.

*Proprietary funds:* The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The sewer department had a deficit for the year of \$24,412. Last year, the sewer department had an excess of \$792,066. Last year the sewer department received one-time grant revenue and a larger transfer in from the general fund that was not received in the current year.

## Budgetary Highlights

There was no significant difference between the original and final budget for the general fund.

The general fund actual revenues were more than budget by \$728,130. This was a result of a charges for services and miscellaneous revenues both being significantly over budget.

The general fund actual expenditures were under the budget by \$1,883,929. Most of the expenditure accounts were under-spent after carrying forward several designated balances from the previous year.

## Capital Asset and Debt Administration

### Capital Assets

As of June 30, 2009, the net book value of capital assets recorded by the Town increased by \$878,407 over the prior year. The increase is the result of capital additions of \$2,673,134 less current year depreciation of \$1,794,727.

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

	<b>2009</b>	<b>2008</b>
Land	\$ 2,189,242	\$ 1,784,301
Construction in progress	497,057	2,947,373
Buildings	23,099,838	21,522,045
Building improvements	4,387,854	3,225,065
Furniture and fixtures	493,968	592,815
Equipment	453,044	483,733
Vehicles	1,009,560	845,301
Infrastructure	6,914,881	6,766,404
Total	<u>\$ 39,045,444</u>	<u>\$ 38,167,037</u>

## **Debt**

At June 30, 2009, the Town had \$8.89 million in bonds outstanding versus \$9.73 million last year, a decrease of 8.68%. Refer to Note 6 of the Notes to Financial Statements for detailed information.

### **Currently Known Facts, Decisions, or Conditions**

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

Bucksport's financial performance and management of resources remains strong with eight consecutive general fund surpluses. The undesignated general fund balance increased to \$7.06 million for the year ended June 30, 2009 from \$6.70 million for the same period in 2008 or a 5.4% increase.

In fiscal 2009, the Town's economic improvements included Verso Paper's operational efficiency upgrades, which generated approximately \$10.0 million in additional industrial property value. However, the economic downturn continues to make its mark on the region with residential home sales leveling off locally, with prices at approximately 99% of assessed value.

Fiscal 2009 budget expectations continued to support operational and program needs within LD-1 tax limitations somewhat stunted by the economic downturn and flat local economy. Property taxes remained the largest source of revenue for the Town in fiscal 2009, comprising approximately 49% of revenues. Operating expenses declined approximately 1.94% over costs incurred in fiscal 2008. The Town's mill rate declined to 12.8%, down from 13.8% and is the fifth consecutive year that the mill rate had declined or remained unchanged. Substantially all of the decrease was attributed to growth in assessed values of existing residential and commercial property resulting from the Town's most recent local valuation adjustment, demonstrating an increase in local home and business real property sales prices from fiscal 2006.

The Town's sewer department is separately funded primarily with user fees. Fiscal 2009 operating costs increased less than expected by approximately 12.6% over those incurred in fiscal 2008. The increase is primarily attributed to operating costs associated with the newly completed combined sewer overflow abatement facility and regular maintenance & repair on existing facilities and equipment. User fees increased approximately of 5.6% over the 2008 period. However, based on a recent Maine Rural Water Association sewer rate survey, the Town's rates remain within the bottom twenty-five percent of sewer rates statewide.

To limit the Town's exposure to unforeseen cost and more specifically to provide an adequate level of funding should a significant valuation loss occur from its largest taxpayer (Verso Paper), Bucksport adopted an Undesignated Fund Balance Policy in May of 2008. The Town's management designed the policy around maintaining a level of funding in Undesignated Fund Balance (surplus) that provides financial stability for the community into the near future, as Verso's valuation accounts for approximately 44% of the Town's overall valuation. In addition, the policy will assist the Town in maintaining its current favorable bond rating and provide direction to the Town Manager

during annual budget preparation. The policy requires that a surplus minimum be maintained equal to three months of the Town's total expenses (gross budget) plus an amount equal to three months of the annual taxes for the mill. For example, if the Town's proposed gross budget is \$17,000,000 and the annual taxes for the mill are \$4,140,000, then the minimum to retain in surplus would be \$5,285,000 calculated as follows:  $(\$17,000,000 \times 25\% = \$4,250,000) + (\$4,140,000 \times 25\% = \$1,035,000)$ . The Town maintained balances in excess of the required minimum level for the fiscal years ended 2009 and 2008 of \$1.09 million and \$0.79 million, respectively. The policy also includes a provision for the suggested utilization of excess funds on future capital improvements and/or accelerated payment of debt service.

On May 28, 2009, the Town Council approved a gross budget for the period 7-1-2009 to 6-30-2010 totaling \$10,400,230, which reflects a decrease of approximately \$312,000 or 2.9%. Much of the decrease can be attributed to reduced utilization of undesignated fund balance (surplus) for capital improvements, amounts raised for general and adult education along with reductions across nearly all remaining municipal departments. The local portion of education costs totaled \$5,377,923, representing an approximate decrease of \$65,000 over the 2009 period. The net tax commitment totaled \$8,046,261 and reflected a decrease of approximately \$69,144 or 0.9%. The tax rate was set at 12.52 mills based on the total adjusted local valuation of \$677,079,008, which includes both the homestead and BETE valuation adjustments and reflects a reduction of 0.23 mills in comparison to the previous year.

The local economy for the coming year is projected to remain stable with Verso Paper's diversification of paper products and plans to produce greater amounts of green energy at its Bucksport plant to ensure greater financial viability into the future. The housing market will likely suffer the effects of the economic downturn with continued slow sales and the potential for reduced home values. Revenue streams may be altered as state budget and referendum outcomes unfold.

### **Contacting the Town's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, the Finance Director for the Town of Bucksport can be reached at P.O. Drawer X, Bucksport, Maine 04416, by phone at (207) 469-7368 or her email address of [financedirector@bucksport.biz](mailto:financedirector@bucksport.biz).

## STATEMENT A

## TOWN OF BUCKSPORT, MAINE

## STATEMENT OF NET ASSETS

JUNE 30, 2009

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash	\$ 3,361,263	\$ -	\$ 3,361,263
Investments	8,872,169	122,095	8,994,264
Accounts receivable (net of allowance for uncollectibles):			
Taxes	17,363	-	17,363
Liens	199,901	-	199,901
Other	409,632	125,324	534,956
Inventory	20,972	-	20,972
Prepaid items	189,403	500	189,903
Tax acquired property	661	-	661
Due from other funds	-	468,969	468,969
Total current assets	<u>13,071,364</u>	<u>716,888</u>	<u>13,788,252</u>
Noncurrent assets:			
Capital assets:			
Land, infrastructure, and other assets not being depreciated	2,093,249	593,050	2,686,299
Buildings and vehicles net of accumulated depreciation	<u>30,304,524</u>	<u>6,054,621</u>	<u>36,359,145</u>
Total noncurrent assets	<u>32,397,773</u>	<u>6,647,671</u>	<u>39,045,444</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 45,469,137</u></u>	<u><u>\$ 7,364,559</u></u>	<u><u>\$ 52,833,696</u></u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	\$ 411,003	\$ -	\$ 411,003
Accrued payroll	656,906	-	656,906
Other accrued payables	9,000	26,408	35,408
Due to other funds	468,969	-	468,969
Current portion of long-term obligations	<u>735,461</u>	<u>72,732</u>	<u>808,193</u>
Total current liabilities	<u>2,281,339</u>	<u>99,140</u>	<u>2,380,479</u>
Noncurrent liabilities			
Noncurrent portion of long-term obligations:			
Bonds payable	5,868,003	2,211,010	8,079,013
Accrued compensated absences	<u>244,633</u>	<u>-</u>	<u>244,633</u>
Total noncurrent liabilities	<u>6,112,636</u>	<u>2,211,010</u>	<u>8,323,646</u>
<b>TOTAL LIABILITIES</b>	<u><u>8,393,975</u></u>	<u><u>2,310,150</u></u>	<u><u>10,704,125</u></u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	25,794,309	4,363,929	30,158,238
Restricted	4,277,473	-	4,277,473
Unrestricted	<u>7,003,380</u>	<u>690,480</u>	<u>7,693,860</u>
<b>TOTAL NET ASSETS</b>	<u><u>37,075,162</u></u>	<u><u>5,054,409</u></u>	<u><u>42,129,571</u></u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 45,469,137</u></u>	<u><u>\$ 7,364,559</u></u>	<u><u>\$ 52,833,696</u></u>

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

## STATEMENT B

## TOWN OF BUCKSPORT, MAINE

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2009

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue & Changes in Net Assets		
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Business- type Activities	Total
Governmental activities							
Current:							
General government	\$ 1,287,405	\$ 80,986		\$ -	\$ (1,206,419)	\$ -	\$ (1,206,419)
Protection	1,463,394	398,615	69,471	-	(995,308)	-	(995,308)
Public works	537,356	-	69,640	-	(467,716)	-	(467,716)
Health and sanitation	386,360	193,214	86,059	-	(107,087)	-	(107,087)
Community and social agencies	199,446	-	-	-	(199,446)	-	(199,446)
Education	12,377,104	2,385,175	3,740,232	-	(6,251,697)	-	(6,251,697)
On-behalf payments - State of Maine	1,069,572	-	1,069,572	-	-	-	-
Environment & housing	1,670	-	-	-	(1,670)	-	(1,670)
Recreation	276,887	47,141	8,055	-	(221,691)	-	(221,691)
Cemeteries	19,903	-	-	-	(19,903)	-	(19,903)
Tax increment financing agreement	786,895	-	-	-	(786,895)	-	(786,895)
Debt service:							
Interest on long-term debt	356,604	-	-	-	(356,604)	-	(356,604)
County tax	240,444	-	-	-	(240,444)	-	(240,444)
Capital outlay	510,005	-	-	-	(510,005)	-	(510,005)
Unallocated depreciation	49,371	-	-	-	(49,371)	-	(49,371)
Unclassified	108,953	-	-	-	(108,953)	-	(108,953)
Total governmental activities	<u>19,671,369</u>	<u>3,105,131</u>	<u>5,043,029</u>	<u>-</u>	<u>(11,523,209)</u>	<u>-</u>	<u>(11,523,209)</u>
Business-type activities:							
Sewer fund	<u>761,736</u>	<u>485,300</u>	<u>2,000</u>	<u>206,430</u>	<u>-</u>	<u>(68,006)</u>	<u>(68,006)</u>
Total business-type activities	<u>761,736</u>	<u>485,300</u>	<u>2,000</u>	<u>206,430</u>	<u>-</u>	<u>(68,006)</u>	<u>(68,006)</u>
Total government and business	<u>20,433,105</u>	<u>3,590,431</u>	<u>5,045,029</u>	<u>206,430</u>	<u>(11,523,209)</u>	<u>(68,006)</u>	<u>(11,591,215)</u>

STATEMENT B (CONTINUED)

TOWN OF BUCKSPORT, MAINE

STATEMENT OF ACTIVITIES (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2009

	Governmental Activities	Business- type Activities	Total
Changes in net assets:			
Net (expense) revenue	<u>(11,523,209)</u>	<u>(68,006)</u>	<u>(11,591,215)</u>
General revenue:			
Taxes			
Property taxes, levied for general purposes	8,914,849	-	8,914,849
Excise taxes, levied for general purposes	675,431	-	675,431
Grants and contributions not restricted to specific programs	2,438,246	-	2,438,246
Miscellaneous	1,243,974	28,182	1,272,156
Total general revenue and transfers	<u>13,272,500</u>	<u>28,182</u>	<u>13,300,682</u>
Change in net assets	<u>1,749,291</u>	<u>(39,824)</u>	<u>1,709,467</u>
Transfers	<u>(15,412)</u>	15,412	-
NET ASSETS - JULY 1	35,057,634	5,397,600	40,455,234
PRIOR PERIOD ADJUSTMENT	<u>283,649</u>	<u>(318,779)</u>	<u>(35,130)</u>
NET ASSETS - JULY 1, RESTATED	<u>35,341,283</u>	<u>5,078,821</u>	<u>40,420,104</u>
NET ASSETS - JUNE 30	<u><u>\$ 37,075,162</u></u>	<u><u>\$ 5,054,409</u></u>	<u><u>\$ 42,129,571</u></u>

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

## TOWN OF BUCKSPORT, MAINE

BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2009

	General Fund	All Nonmajor Funds	Total
<b>ASSETS</b>			
Cash	\$ 3,235,682	\$ 125,581	\$ 3,361,263
Investments	8,791,344	80,825	8,872,169
Receivables (net of allowance for uncollectibles):			
Taxes	17,363	-	17,363
Liens	199,901	-	199,901
Other	201,868	207,764	409,632
Inventory	15,823	5,149	20,972
Prepaid items	186,403	3,000	189,403
Tax acquired property	661	-	661
Due from other funds	70,860	2,481,881	2,552,741
<b>TOTAL ASSETS</b>	<u>\$ 12,719,905</u>	<u>\$ 2,904,200</u>	<u>\$ 15,624,105</u>
<b>LIABILITIES AND FUND EQUITY</b>			
Liabilities			
Accounts payable	\$ 392,856	\$ 18,147	\$ 411,003
Accrued payroll	656,906	-	656,906
Other accrued payables	9,000	-	9,000
Due to other funds	2,950,850	70,860	3,021,710
Deferred tax revenues	181,477	-	181,477
<b>TOTAL LIABILITIES</b>	<u>4,191,089</u>	<u>89,007</u>	<u>4,280,096</u>
Fund Equity			
Reserved:			
Endowments	-	71,199	71,199
General Fund:			
Designated	1,449,461	-	1,449,461
Special Revenue Fund:			
Designated	-	954,729	954,729
Capital Project funds	-	1,715,429	1,715,429
Permanent funds	-	86,655	86,655
Unreserved, reported in:			
General Fund:			
Designated	17,652	-	17,652
Undesignated	7,061,703	-	7,061,703
Special Revenue Fund:			
Undesignated	-	(12,819)	(12,819)
<b>TOTAL FUND EQUITY</b>	<u>8,528,816</u>	<u>2,815,193</u>	<u>11,344,009</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>\$ 12,719,905</u>	<u>\$ 2,904,200</u>	<u>\$ 15,624,105</u>

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

## TOWN OF BUCKSPORT, MAINE

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET ASSETS  
JUNE 30, 2009

	<u>Total Governmental Funds</u>
Total Fund Equity	\$ 11,344,009
Amounts reported for governmental activities in the statement are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation	32,397,773
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds shown above:	
Taxes and liens receivable	181,477
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Bonds payable	(6,603,464)
Accrued compensated absences	<u>(244,633)</u>
Net assets of governmental activities	<u>\$ 37,075,162</u>

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

## TOWN OF BUCKSPORT, MAINE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2009

	General Fund	All Nonmajor Funds	Totals Governmental Funds
REVENUES			
Taxes	\$ 8,873,023	\$ -	\$ 8,873,023
Excise taxes	675,431	-	675,431
Intergovernmental	5,877,621	1,603,654	7,481,275
Charges for services	3,105,131	-	3,105,131
Miscellaneous revenues	773,065	470,909	1,243,974
TOTAL REVENUES	<u>19,304,271</u>	<u>2,074,563</u>	<u>21,378,834</u>
EXPENDITURES			
Current:			
General government	1,159,664	106,866	1,266,530
Protection	1,279,611	26,490	1,306,101
Public works	824,683	71,568	896,251
Health and sanitation	368,383	-	368,383
Community and social agencies	53,778	145,668	199,446
Education	10,046,617	1,454,756	11,501,373
On-behalf payments - State of Maine	1,069,572	-	1,069,572
Environment & housing	-	1,670	1,670
Recreation	201,234	29,573	230,807
Cemeteries	4,120	15,783	19,903
Tax Increment Financing Agreement	786,895	-	786,895
Debt service:			
Principal	735,461	-	735,461
Interest	356,604	-	356,604
County tax	240,444	-	240,444
Capital outlay	-	2,303,585	2,303,585
Unclassified	114,278	-	114,278
TOTAL EXPENDITURES	<u>17,241,344</u>	<u>4,155,959</u>	<u>21,397,303</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>2,062,927</u>	<u>(2,081,396)</u>	<u>(18,469)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	47,277	1,274,200	1,321,477
Transfers out	(1,242,799)	(94,090)	(1,336,889)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,195,522)</u>	<u>1,180,110</u>	<u>(15,412)</u>
NET CHANGE IN FUND BALANCES	867,405	(901,286)	(33,881)
FUND BALANCES - JULY 1	<u>7,661,411</u>	<u>3,716,479</u>	<u>11,377,890</u>
FUND BALANCES - JUNE 30	<u>\$ 8,528,816</u>	<u>\$ 2,815,193</u>	<u>\$ 11,344,009</u>

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

## TOWN OF BUCKSPORT, MAINE

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2009

Net change in fund balances - total governmental funds (Statement E) \$ (33,881)

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

Governmental funds report capital outlays as expenditures while governmental  
activities report depreciation expense to allocated those expenditures over the  
life of the assets:

Capital asset purchases	2,435,299
Depreciation expense	<u>(1,450,151)</u>
	<u>985,148</u>

Revenues in the Statement of Activities that do not provide current financial  
resources are not reported.

Taxes and liens receivable	<u>41,826</u>
----------------------------	---------------

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

	<u>735,461</u>
--	----------------

Debt proceeds provide current financial resources to governmental funds, but  
issuing debt increases long-term liabilities in the Statement of Net Assets

	<u>-</u>
--	----------

Some expenses reported in the Statement of Activities do not require the use of  
current financial resources and therefore are not reported as expenditures in  
governmental funds:

Accrued compensated absences	<u>5,325</u>
------------------------------	--------------

Change in net assets of governmental activities (Statement B) \$ 1,733,879

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

## TOWN OF BUCKSPORT, MAINE

BALANCE SHEET – PROPRIETARY FUNDS  
JUNE 30, 2009

	Enterprise Sewer Fund
<b>ASSETS</b>	
Current assets:	
Investments	\$ 122,095
Accounts receivable	125,324
Due from other funds	468,969
Prepaid expense	500
Total current assets	<u>716,888</u>
Capital assets:	
Construction in progress	47,747
Land	545,303
Buildings	4,546,321
Building improvements	354,420
Infrastructure	5,626,045
Equipment	210,965
Vehicles	71,388
Total capital assets	<u>11,402,189</u>
Less: accumulated depreciation	<u>(4,754,518)</u>
Net capital assets	<u>6,647,671</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 7,364,559</u></u>
<b>LIABILITIES AND NET ASSETS</b>	
Current liabilities:	
Accounts payable	\$ -
Accrued interest	26,408
Current portion of long-term liabilities	72,732
Total current liabilities	<u>99,140</u>
Long-term liabilities:	
Bonds payable, net of current portion	<u>2,211,010</u>
Total long-term liabilities	<u>2,211,010</u>
Total liabilities	<u>2,310,150</u>
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	4,363,929
Unrestricted	690,480
<b>TOTAL NET ASSETS</b>	<u>5,054,409</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 7,364,559</u></u>

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

## TOWN OF BUCKSPORT, MAINE

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2009

	Enterprise Sewer Fund
OPERATING REVENUES	
Charges for services	\$ 485,300
Other	6,401
TOTAL OPERATING REVENUES	<u>491,701</u>
OPERATING EXPENSES	
Payroll	68,503
Supplies	55,890
Equipment	42,025
Utilities	40,401
Depreciation	344,576
Contracted services	69,996
Other	40,386
TOTAL OPERATING EXPENSES	<u>661,777</u>
OPERATING (LOSS)	<u>(170,076)</u>
NON-OPERATING INCOME (EXPENSE)	
Interest income	21,781
Interest expense	(99,959)
Capital contributions	206,430
Operating contributions	2,000
Loss on disposal of capital assets	-
Transfers in	15,412
Transfers out	-
NET NON-OPERATING INCOME	<u>145,664</u>
CHANGE IN NET ASSETS	<u>(24,412)</u>
NET ASSETS - JULY 1	5,397,600
PRIOR PERIOD ADJUSTMENT	<u>(318,779)</u>
NET ASSETS - JULY 1, RESTATED	<u>5,078,821</u>
NET ASSETS - JUNE 30	<u><u>\$ 5,054,409</u></u>

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

## TOWN OF BUCKSPORT, MAINE

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2009

	Enterprise Sewer Fund
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from customers	\$ 503,111
Internal activity - receipts (payments) from/to other funds	17,500
Payments to suppliers	(68,503)
Payments to employees	(286,440)
Net cash used by operating activities	<u>165,668</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
(Purchase) sale of investments	37,852
Interest income	16,615
Net cash provided by investing activities	<u>54,467</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Purchase of capital assets	(26,240)
Transfer to reserve fund	-
Transfer from general fund for bonds payable	15,412
Proceeds from operating grant	2,000
Proceeds from bonds issued	-
Principal payments on bonds payable	(109,658)
Principal payments on short-term note payable	-
Interest payments on bonds payable	(101,649)
Net cash provided by capital and related financing activities	<u>(220,135)</u>
NET CHANGE IN CASH	<u>-</u>
CASH - JULY 1	<u>-</u>
CASH - JUNE 30	<u>\$ -</u>

STATEMENT I (CONTINUED)

TOWN OF BUCKSPORT, MAINE

STATEMENT OF CASH FLOWS - ENTERPRISE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2009

RECONCILIATION OF OPERATING (LOSS)  
TO NET CASH PROVIDED BY OPERATING  
ACTIVITIES:

Operating (loss)	\$ (170,076)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation expense	344,576
Changes in operating assets and liabilities:	
Decrease in accounts receivable	11,410
Decrease in due from other funds	17,500
Decrease in prepaid expense	391
Decrease in accounts payable	<u>(38,133)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>\$ 165,668</u></u>

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

Cash paid during the year for:

Interest	<u>\$ 101,649</u>
----------	-------------------

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

## TOWN OF BUCKSPORT, MAINE

STATEMENT OF NET ASSETS - FIDUCIARY FUNDS  
JUNE 30, 2009

	Student Activity Funds
ASSETS	
Current assets:	
Cash	\$ 83,512
TOTAL ASSETS	<u>\$ 83,512</u>
LIABILITIES	
Deposits held for others	\$ 83,512
TOTAL LIABILITIES	<u>83,512</u>
NET ASSETS	
Held in trust for special purposes	-
TOTAL NET ASSETS	<u>-</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 83,512</u>

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

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Reporting Entity**

The Town of Bucksport was incorporated under the laws of the State of Maine. The Town operates under the council-manager form of government and provides the following services: general government, protection, public works, health and sanitation, education, recreation, community and social agencies, and other unclassified.

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

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

**Government – Wide and Fund Financial Statements**

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

Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Town's sewer fund is categorized as a business-type activity. All other activities of the Town are categorized as governmental.

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

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

**Measurement Focus - Basic Financial Statements & Fund Financial Statements**

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

The following fund types are used by the Town:

1. Governmental Funds:

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

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

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

2. Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net assets, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. Operating revenues include charges for services, intergovernmental reimbursements and other miscellaneous fees which are a direct result of the proprietary activity. Non-operating revenues are any revenues which are generated outside of the general proprietary activity, i.e. interest income. The following is a description of the proprietary funds of the Town:

- a. Enterprise Funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) established fees and charges based on a pricing policy designed to recover similar costs.

3. 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 Town's fiduciary funds are presented in the fiduciary fund financial statements by type (private purpose and agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide financial statements.

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

**Basis of Accounting**

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

1. Accrual

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

2. Modified Accrual

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

**Budget**

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

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In accordance with Governmental Accounting Standards Board Statement No. 24, *Accounting and Reporting for Certain Grants and Other Financial Assistance*, payments made by the State of Maine to the Maine State Retirement System for teachers and certain other school employees are reported as offsetting revenues and expenditures of the general fund.

Revenues per budgetary basis	\$ 18,244,660
Add: On-behalf payments	<u>1,069,572</u>
Total GAAP basis	<u>\$ 19,314,232</u>
Expenditures per budgetary basis	\$ 16,179,230
Add: On-behalf basis	<u>1,069,572</u>
Total GAAP basis	<u>\$ 17,248,802</u>

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

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

**Deposits and Investments**

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. The Town's investment policy requires collateralization of accounts and deposits exceeding an amount equal to 25% of capital, surplus, and undivided profits as defined by the laws of the State of Maine.

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

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

**Inventories**

Inventories consist of expendable supplies held for consumption and are valued at cost. Under the consumption method, the costs of inventory items are recognized as expenditures when used. In the general fund, inventory consists of diesel fuel, gasoline, winter salt and sand and gravel. The special revenue fund inventory consists of school lunch supplies and food on hand at the end of the year, valued at cost, on a first-in, first-out basis.

**Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Part of this balance represents bills paid by the school department which are actually expenses of the new regional school unit. These items represent \$140,154 of the total prepaid balance.

**Interfund Receivables and Payables**

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

**Transactions Between Funds**

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

**Allowance for Uncollectible Accounts**

The allowance for uncollectible accounts for the ambulance receivables is estimated to be \$33,160 as of June 30, 2009.

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Capital Assets**

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Infrastructure such as streets, traffic signals, and signs are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives.

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

Infrastructure assets include roads, bridges, underground pipe (other than related to independently owned utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the Town. The Town has not retroactively recorded infrastructure.

Estimated useful lives are as follows:

Buildings and improvements	10 - 70 years
Infrastructure	20 - 50 years
Machinery and equipment	5 - 30 years
Vehicles	5 - 30 years

**Long-term Obligations**

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

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

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

**Compensated Absences**

The Town's policies regarding vacation and sick time permit employees to accumulate earned but unused vacation and sick leave. The liability for these compensated absences is recorded as long-term debt in the government-wide financial statements. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources, while the proprietary funds report the liability as it is incurred.

**Reserves**

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

**Net Assets**

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

**Revenue Recognition - Property Taxes - Modified Accrual Basis**

The Town's property tax for the current year was levied July 1, 2008 on the assessed value listed as of April 1, 2008, for all real and personal property located in the Town. Taxes were due on in two installments on August 31, 2008 and March 31, 2009. Interest on unpaid taxes commenced on September 1, 2008 and April 1, 2009, at 11% per annum.

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 \$280,284 for the year ended June 30, 2008.

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

**Program Revenues**

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

**Operating/Non-operating Proprietary Fund Revenues**

Operating revenues consist mainly of direct revenue sources and/or charges for services applicable to that fund.

**Encumbrance Accounting**

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

**Use of Estimates**

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

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

NOTE 2 - CASH AND INVESTMENTS

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

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

At June 30, 2009, the Town's cash balance of \$3,454,736 was comprised of deposits amounting to \$3,548,278. Of these deposits, \$354,371 was insured by federal depository insurance and consequently was not exposed to custodial credit risk and \$3,193,907 was collateralized with securities held by the financial institution but not in the Town's name.

<u>Account Type</u>	<u>Bank Balance</u>
Checking accounts	\$ 196,402
Repurchase agreements	784,293
Savings accounts	58,836
Money market accounts	2,508,747
	<u>\$ 3,548,278</u>

At December 31, 2009, the Town's investments of \$8,994,264 were comprised of \$29,027 of stocks that are held in the Town's name and \$250,000 of certificates of deposit that were insured by federal depository insurance, both which consequently were not exposed to custodial credit risk. The remaining certificates of deposit of \$8,715,237 were collateralized with securities held by the financial institution but not in the Town's name.

<u>Account Type</u>	<u>Bank Balance</u>
Certificates of deposit	\$ 8,965,237
Stocks	29,027
	<u>\$ 8,994,264</u>

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

NOTE 2 - CASH AND INVESTMENTS (CONTINUED)

The Town has determined that it has complied with state and federal laws governing the investment of public funds.

NOTE 3 – INTERFUND RECEIVABLES AND PAYABLES

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

	Receivables (Due from)	Payables (Due to)
General Fund	\$ 70,860	\$ 2,950,850
Special Revenue Funds	637,625	70,860
Capital Project Funds	1,715,429	-
Permanent Funds	128,827	-
Enterprise Funds	468,969	-
	<u>\$ 3,021,710</u>	<u>\$ 3,021,710</u>

NOTE 4 - CAPITAL ASSETS

The following is a summary of changes in capital assets at June 30, 2009:

	Balance, 7/1/08	Additions	Disposals	Balance, 6/30/09
<u>Governmental activities</u>				
Non-depreciated assets:				
Land	\$ 1,546,101	\$ 97,838	\$ -	\$ 1,643,939
Construction in progress	215,495	449,310	(215,495)	449,310
	<u>1,761,596</u>	<u>547,148</u>	<u>(215,495)</u>	<u>2,093,249</u>
Depreciated assets:				
Buildings	39,434,544	-	-	39,434,544
Building improvements	3,906,682	1,114,035	-	5,020,717
Furniture and fixtures	3,304,722	-	-	3,304,722
Equipment	1,286,438	97,346	-	1,383,784
Vehicles	1,899,307	308,310	(92,888)	2,114,729
Infrastructure	8,781,933	583,955	-	9,365,888
	<u>58,613,626</u>	<u>2,103,646</u>	<u>(92,888)</u>	<u>60,624,384</u>
Less: accumulated depreciation	<u>(28,962,597)</u>	<u>(1,450,151)</u>	<u>92,888</u>	<u>(30,319,860)</u>
	<u>29,651,029</u>	<u>653,495</u>	<u>-</u>	<u>30,304,524</u>
Net governmental capital assets	<u>\$ 31,412,625</u>	<u>\$ 1,200,643</u>	<u>\$ (215,495)</u>	<u>\$ 32,397,773</u>

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

NOTE 4 - CAPITAL ASSETS (CONTINUED)

Business-type activities

Non-depreciated assets:

Land	\$ 238,200	\$ 307,103	\$ -	\$ 545,303
Construction in progress	2,731,879	194,161	(2,878,293)	47,747
	<u>2,970,079</u>	<u>501,264</u>	<u>(2,878,293)</u>	<u>593,050</u>

Depreciated assets:

Buildings	2,166,370	2,379,951	-	4,546,321
Building improvements	172,017	182,403	-	354,420
Equipment	167,217	43,748	-	210,965
Vehicles	71,388	-	-	71,388
Infrastructure	5,617,283	8,762	-	5,626,045
	<u>8,194,275</u>	<u>2,614,864</u>	<u>-</u>	<u>10,809,139</u>
Less: accumulated depreciation	<u>(4,409,942)</u>	<u>(344,576)</u>	<u>-</u>	<u>(4,754,518)</u>
	<u>3,784,333</u>	<u>2,270,288</u>	<u>-</u>	<u>6,054,621</u>

Net business-type capital assets	<u>\$ 6,754,412</u>	<u>\$ 2,771,552</u>	<u>\$ (2,878,293)</u>	<u>\$ 6,647,671</u>
----------------------------------	---------------------	---------------------	-----------------------	---------------------

General government				\$ 20,875
Protection				157,293
Public works				282,824
Health and sanitation				17,977
Education				875,731
Recreation				46,080
Town-wide				49,371
				<u>1,450,151</u>
Sewer Fund				344,576
Total depreciation expense				<u>\$ 1,794,727</u>

NOTE 5 – LONG TERM DEBT

The following is a summary of changes in the long-term debt for the year ended June 30, 2009:

	Balance, 7/1/08	Additions	Deletions	Balance, 6/30/09	Current Portion
Bonds payable	\$ 9,732,325	\$ -	\$ (845,119)	\$ 8,887,206	\$ 808,193
Accrued compensated absences	249,958	-	(5,325)	244,633	61,158
Totals	<u>\$ 9,982,283</u>	<u>\$ -</u>	<u>\$ (850,444)</u>	<u>\$ 9,131,839</u>	<u>\$ 869,351</u>

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

NOTE 5 – LONG TERM DEBT (CONTINUED)

The following is a summary of outstanding bonds payable:

Governmental activities debt:

\$4,460,200, 1990 General Obligation Bonds due in annual principal payments of \$220,000, through April of 2010. Interest is charged at a rate varying from 6.875% to 7.20% per annum.	\$ 220,000
\$1,561,872, 1999E General Obligation Bonds due in annual principal payments of \$104,125, through November of 2014. Interest is charged at a rate varying from 4.283% to 5.908% per annum.	624,750
\$8,226,730, 2002 General Obligation Bonds due in annual principal payments of \$411,336, through November of 2022. Interest is charged at a rate varying from 3.050% to 5.250% per annum.	<u>5,758,714</u>
Total governmental activities debt	<u>6,603,464</u>

Business-activities debt:

\$400,000, 1991 General Obligation Bonds due in annual payments of \$32,100, through October of 2011. Interest is charged at a rate of 5.00% per annum.	86,885
\$2,240,000, 2008 General Obligation Bonds due in annual payments of \$138,343, through April of 2036. Interest is charged at a rate of 4.25% per annum.	<u>2,196,857</u>
Total business-activities debt	<u>2,283,742</u>
Total Long-Term Debt	<u><u>\$ 8,887,206</u></u>

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

NOTE 5 – LONG TERM DEBT (CONTINUED)

The following is a summary of outstanding bond principal and interest requirements for the next five fiscal years ending June 30:

	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2010	\$ 808,193	\$ 416,685	\$ 1,224,878
2011	591,491	375,181	966,672
2012	594,326	348,499	942,825
2013	566,417	321,083	887,500
2014	568,582	294,462	863,044
2015-2019	2,462,254	1,090,255	3,552,509
2020-2024	2,016,517	493,308	2,509,825
2025-2029	457,023	234,692	691,715
2030-2034	562,740	128,975	691,715
2035-2039	259,663	16,688	276,351
	<u>\$ 8,887,206</u>	<u>\$ 3,719,828</u>	<u>\$ 12,607,034</u>

All bonds payable are direct obligations of the Town, for which its full faith and credit are pledged. The Town is not obligated for any special assessment debt. All debt is payable from taxes levied on all taxable property within the Town.

NOTE 6 – RESTRICTED NET ASSETS

The following net assets have been restricted at June 30, 2009 for the following purposes:

Restricted for general fund designated balances	\$ 1,449,461
Restricted for endowments	71,199
Restricted for special revenue funds	954,729
Restricted for capital project funds	1,715,429
Restricted for permanent funds	86,655
	<u>\$ 4,277,473</u>

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

NOTE 7 – GENERAL FUND DESIGNATED FUND EQUITY

At June 30, 2009, the general fund designated fund balance was made up of the following account balances carried forward into the subsequent year's budget:

Solid waste	\$ 17,652
Education	1,063,136
Tax increment financing agreement	165,074
Highway block grant	9,928
State revenue sharing	211,323
	<u>\$ 1,467,113</u>

NOTE 8 - EXPENDITURES OVER APPROPRIATIONS

No appropriations were exceeded by actual expenditures.

NOTE 9 – DEFICIT FUND BALANCES

The following special revenue funds have deficit fund balances as of June 30, 2009:

DEP Small Community	376
CDBG Housing Assistance	1,000
2008 MITF Grant	250
RSU	11,193

NOTE 10 – OVERLAPPING DEBT

The Town is responsible for its proportionate share of County debt. As of June 30, 2009 the Town's share was as follows:

	<u>Outstanding Debt</u>	<u>Town's Percentage</u>	<u>Total Share</u>
County of Hancock	\$ 3,050,000	4.71%	\$ 143,655

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

NOTE 11 – RISK MANAGEMENT

The Town is a member of the Maine Municipal Association – Worker Compensation Trust Fund (“Fund”). The Fund was created to formulate, develop and administer a program of modified self-funding for the Fund’s membership, obtain lower costs for worker’s compensation coverage and develop a comprehensive loss control program. The Town pays an annual premium to the fund for its worker’s compensation coverage. The Town’s agreement with the Fund provides that the fund will be self-sustaining through member premiums and will provide, through commercial companies reinsurance contracts, individual stop loss coverage for member Town’s for claims in excess of \$400,000 with an excess limit of \$2,000,000.

The Town has its liability insurance through the Kyes Agency Inc.. The Town pays an annual premium for its property and liability coverage. Under the property coverage portion of the policy, coverage is provided after the \$1,000 deductible is met, to \$4,377,412. Under the general liability portion of the policy, coverage is provided after the deductible is met, to \$1,000,000 per occurrence and \$3,000,000 in total. For the law enforcement liability, the coverage is \$1,000,000 per occurrence and in total with a \$2,500 deductible. For the public official liability, the coverage is \$1,000,000 per occurrence and \$3,000,000 in total with a \$2,500 deductible. Under the employment practices liability, the coverage is \$1,000,000 per occurrence and \$3,000,000 in total with a \$2,500 deductible.

NOTE 12 – LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

The Town of Bucksport’s landfill is at 100% capacity to date. Therefore, the estimated remaining landfill life is zero years. Federal and state laws require that certain post closure care be met. The Town estimates that on an annual basis, some immaterial costs will be incurred for post closure care. The annual amount will be paid for within the Town’s annual operating budget.

NOTE 13 – DEFINED BENEFITS PENSION PLAN

MAINE STATE RETIREMENT SYSTEM

The Town participates in the Maine State Retirement System, a cost sharing multi-employer defined benefit pension plan which covers employees who work at least 40 hours per week. The system requires that both employees and the Town contribute, and provides retirement, disability and death benefits. Employees are eligible for normal retirement upon reaching the age of sixty and early retirement after completing

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

NOTE 13 – DEFINED BENEFITS PENSION PLAN (CONTINUED)

twenty-five or more years of credited service. As of June 30, 2009, the Town had an unfunded actuarial accrued liability credit, computed using the actuarial method used for funding purposes. This credit is being used to reduce future contributions and is being amortized over a closed period of 18 years from July 1, 1999. The Town's actual contribution was \$0 after the unfunded actuarial accrued liability credit was deducted from the annual pension cost.

All school teachers, plus other qualified educators, participate in the Maine State Retirement System's teacher group. The system is an agent multiple-employer public retirement system. The Bucksport School Department is a non-contributing unit, with the exception of school employees who work on federally funded programs; therefore, all contributions to the plan are withheld from employees at 7.65% of gross wages and remitted to the plan monthly. The total of such withholdings was \$437,938 for the year ended June 30, 2009.

The school department's payroll for employees covered by this group was approximately \$5,701,343 for the year ended June 30, 2009.

There is no contribution required by the School, except for federally funded teachers. For the year ended June 30, 2009, the Town contributed approximately \$59,583 for these federally funded employees. The funding status and progress for the System may be obtained by contacting the Maine State Retirement System.

NOTE 14 – TAX INCREMENT FINANCING AGREEMENT

On March 20, 1997, the Bucksport Town Council approved the Champion International Tax Increment Financing District (TIF) and adopted a development program for the District as authorized pursuant to Chapter 207 of Title 30-A of the Maine Revised Statutes as amended. The development program for the district was amended March 27, 2000. The anticipated investment to be made within the District is \$133,600,000. Seventy-five percent of the property taxes to be generated on the improvements within the District will be returned to the developer while the remaining 25% will be kept by the Town to fund a development plan as approved by the Office of Economic and Community Development on March 31, 1997. The District expires after a twenty-year period and all tax revenues will be returned to the general operating fund of the Town. The TIF agreement was amended on March 27, 2000. Ownership of the District was transferred to International Paper in 2003.

TOWN OF BUCKSPORT, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

NOTE 14 – TAX INCREMENT FINANCING AGREEMENT (CONTINUED)

On March 27, 2003, the Bucksport Town Council approved a Tax Increment Financing District for Ellis & Guerrette. The anticipated investment to be made within the District is \$514,400. Fifty percent of the property taxes to be generated on the improvements within the District will be returned to the developer for 14 years or until \$73,379 is returned to the developer. The remaining 50% will be retained by the Town and used to fund the development plan of the District.

NOTE 15 – ECONOMIC DEPENDENCY

The Town has one taxpayer whose property tax assessment represents a significant portion of the Town's tax base. The Bucksport mill of Verso Paper has an assessed value of \$309,584,954, which is 44.41% of the Town's total assessed value of \$697,181,530. For the year ended June 30, 2009, the Verso Paper's property tax assessment was \$3,947,208.

NOTE 16 – CONTINGENCIES

With regard to pending legal claims or any unasserted claims, it is not feasible at this time to predict or determine their outcome. Management believes, however, that settlement amounts, if any, will not have a material adverse effect on the Town's financial position.

The Town participates in various intergovernmental grant programs which may be subject to future program compliance audits by the grantors or their representatives. Accordingly, the Town's compliance with applicable grant requirement may be established at some future date. The amount, if any, of any liabilities arising from the disallowance of expenditures or ineligibility of grant revenues cannot be determined at this time.

NOTE 17 – RESTATEMENTS

The beginning net asset balances for the governmental activities and business-type activities have both been restated as of July 1, 2008. Both balances were restated to correct capital asset and accumulated depreciation balances. The governmental activities were restated by \$283,649 and the business-type activities were restated by (\$318,779).

### Required Supplementary Information

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

- Budgetary Comparison Schedule - General Fund

## TOWN OF BUCKSPORT, MAINE

BUDGETARY COMPARISON SCHEDULE – BUDGETARY BASIS  
BUDGET AND ACTUAL – GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Positive (Negative)
Budgetary Fund Balance, July 1	\$ 7,661,411	\$ 7,661,411	\$ 7,661,411	\$ -
Resources (Inflows):				
Property taxes	8,889,065	8,889,065	8,873,023	(16,042)
Excise taxes	574,500	574,500	675,431	100,931
Intergovernmental	4,869,595	4,869,595	4,808,049	(61,546)
Charges for services	2,849,786	2,849,786	3,105,131	255,345
Interest on taxes	19,000	19,000	33,800	14,800
Interest income	169,000	169,000	316,765	147,765
Miscellaneous revenues	178,400	178,400	422,500	244,100
Transfers from other funds	4,500	4,500	47,277	42,777
Amounts Available for Appropriation	25,215,257	25,215,257	25,943,387	728,130
Charges to Appropriation (Outflows):				
Current:				
General government	1,287,456	1,287,456	1,159,664	127,792
Protection	1,383,854	1,383,854	1,279,611	104,243
Public works	866,083	866,083	824,683	41,400
Health and sanitation	461,081	461,081	368,383	92,698
Community and social agencies	57,602	57,602	53,778	3,824
Education	11,164,235	11,164,235	10,046,617	1,117,618
Recreation	220,022	220,022	201,234	18,788
Cemeteries	4,120	4,120	4,120	-
County tax	240,444	240,444	240,444	-
Tax Increment Financing Agreement	951,969	951,969	786,895	165,074
Debt service:				
Principal	730,461	730,461	735,461	(5,000)
Interest	361,605	361,605	356,604	5,001
Unclassified	386,989	386,989	114,278	272,711
Transfers to other funds	1,182,579	1,182,579	1,242,799	(60,220)
Total Charges to Appropriations	19,298,500	19,298,500	17,414,571	1,883,929
Budgetary Fund Balance, June 30	\$ 5,916,757	\$ 5,916,757	\$ 8,528,816	\$ 2,612,059
Utilization of Designated Fund Balance	\$ 714,837	\$ 714,837	\$ -	\$ (714,837)
Utilization of Undesignated Fund Balance	1,029,817	1,029,817	-	(1,029,817)
	\$ 1,744,654	\$ 1,744,654	\$ -	\$ (1,744,654)

See accompanying independent auditors' report.

### Other Supplementary Information

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

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

## TOWN OF BUCKSPORT, MAINE

BUDGETARY COMPARISON SCHEDULE – BUDGETARY BASIS  
 BUDGET AND ACTUAL – GENERAL FUND REVENUES  
 FOR THE YEAR ENDED JUNE 30, 2009

	Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Property taxes	\$ 8,889,065	\$ 8,873,023	\$ (16,042)
Excise taxes			
Auto excise	570,000	669,992	99,992
Boat excise	4,500	5,439	939
Intergovernmental revenues			
State revenue sharing	485,000	461,059	(23,941)
Homestead exemption	100,664	100,664	-
Local road assistance	69,464	69,640	176
Tree growth reimbursement	14,000	28,341	14,341
Veterans' reimbursement	2,000	2,398	398
General assistance reimbursement	5,000	2,831	(2,169)
BETE reimbursement	258,360	258,374	14
Department subsidies	163,585	144,510	(19,075)
Education subsidy	3,655,292	3,522,865	(132,427)
Other education revenues	116,230	217,367	101,137
Charges for services			
Auto registration fees	16,000	18,053	2,053
Town clerk revenues	7,500	11,856	4,356
Planning board fees	1,000	1,768	768
Code enforcement fees	9,000	7,536	(1,464)
Plumbing inspector fees	3,500	2,807	(693)
Ambulance user fees	281,105	384,677	103,572
Fire revenue	-	3,442	3,442
Police revenue	2,000	7,277	5,277
Animal control fees	1,700	3,219	1,519
Recycling revenue	19,000	27,154	8,154
Solid waste fees	46,500	55,780	9,280
MERC revenue	37,000	49,774	12,774
Solid waste revenue	60,506	60,506	-
Recreation fees	38,504	47,141	8,637
Cable TV revenue	27,000	38,966	11,966
Tuition revenue	2,299,471	2,385,175	85,704
Interest			
Taxes	19,000	33,800	14,800
Deposit and investment accounts - Town	160,000	312,435	152,435
Deposit and investment accounts - School	9,000	4,330	(4,670)

SCHEDULE A (CONTINUED)

TOWN OF BUCKSPORT, MAINE

BUDGETARY COMPARISON SCHEDULE – BUDGETARY BASIS  
BUDGET AND ACTUAL – GENERAL FUND REVENUES  
FOR THE YEAR ENDED JUNE 30, 2009

Other income			
Tax lien cost	7,500	11,013	3,513
TIF revenue	113,500	113,500	-
Highway revenue	1,000	563	(437)
Snowmobile revenue	1,100	1,476	376
Other education income	54,300	264,985	210,685
Other income	1,000	30,963	29,963
Transfers in			
Spofford fund	4,500	4,500	-
Other funds	-	42,777	42,777
	<hr/>	<hr/>	<hr/>
Total revenues	<u>\$ 17,553,846</u>	<u>\$ 18,281,976</u>	<u>\$ 728,130</u>

See accompanying independent auditors' report.

## TOWN OF BUCKSPORT, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2009

	2008 Carry- forwards	Budget	Receipts	Total Available	Actual	Balance	
						Lapsed	Carried
EXPENDITURES							
General government:							
Administration	\$ -	\$ 374,006	\$ -	\$ 374,006	\$ 376,308	\$ (2,302)	\$ -
Municipal planning	-	53,946	-	53,946	53,562	384	-
Assessor's office	-	59,912	-	59,912	57,549	2,363	-
Municipal building	-	24,404	-	24,404	21,504	2,900	-
Insurance & benefits	-	702,926	-	702,926	584,323	118,603	-
Contingency	-	4,000	-	4,000	3,867	133	-
Public access channel	-	3,959	-	3,959	1,413	2,546	-
Economic development	-	64,303	-	64,303	61,138	3,165	-
	-	1,287,456	-	1,287,456	1,159,664	127,792	-
Protection:							
Fire protection	-	317,548	-	317,548	286,145	31,403	-
Police department	-	407,818	-	407,818	358,718	49,100	-
Dispatcher service	-	164,489	-	164,489	162,451	2,038	-
Ambulance service	-	216,455	-	216,455	213,429	3,026	-
Public safety building	-	50,919	-	50,919	40,435	10,484	-
Public safety utilities	-	226,625	-	226,625	218,433	8,192	-
	-	1,383,854	-	1,383,854	1,279,611	104,243	-
Public works:							
General highways	-	839,295	-	839,295	812,048	27,247	-
Town garage	-	26,788	-	26,788	12,635	14,153	-
	-	866,083	-	866,083	824,683	41,400	-
Health and sanitation:							
Solid waste	24,356	411,925	-	436,281	352,102	66,527	17,652
Health	-	9,800	-	9,800	10,618	(818)	-
General assistance	-	15,000	-	15,000	5,663	9,337	-
	24,356	436,725	-	461,081	368,383	75,046	17,652
Community and social agencies:							
Community agencies	-	32,600	-	32,600	31,381	1,219	-
Social agencies	-	25,002	-	25,002	22,397	2,605	-
	-	57,602	-	57,602	53,778	3,824	-

## SCHEDULE B (CONTINUED)

## TOWN OF BUCKSPORT, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2009

	2008 Carry- forwards	Budget	Receipts	Total Available	Actual	Balance	
						Lapsed	Carried
Education:							
Regular program	505,390	4,231,380	6,427,465	11,164,235	10,046,617	-	1,117,618
Debt service	-	1,086,348	-	1,086,348	1,086,347	-	1
Transfer to other funds	-	40,000	-	40,000	94,483	-	(54,483)
	<u>505,390</u>	<u>5,357,728</u>	<u>6,427,465</u>	<u>12,290,583</u>	<u>11,227,447</u>	<u>-</u>	<u>1,063,136</u>
Recreation:							
Recreation program	-	210,225	-	210,225	191,808	18,417	-
Town dock expenses	-	9,797	-	9,797	9,426	371	-
	<u>-</u>	<u>220,022</u>	<u>-</u>	<u>220,022</u>	<u>201,234</u>	<u>18,788</u>	<u>-</u>
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	5,718	-	5,718	5,718	-	-
	<u>-</u>	<u>5,718</u>	<u>-</u>	<u>5,718</u>	<u>5,718</u>	<u>-</u>	<u>-</u>
Cemeteries	-	4,120	-	4,120	4,120	-	-
County tax	-	240,444	-	240,444	240,444	-	-
TIF	<u>185,091</u>	<u>766,878</u>	<u>-</u>	<u>951,969</u>	<u>786,895</u>	<u>-</u>	<u>165,074</u>
Unclassified:							
Buck Estates	-	97,838	-	97,838	97,838	-	-
Bangor Gas	-	8,007	-	8,007	8,007	-	-
Paper Talks	-	860	-	860	860	-	-
Overlay	-	280,284	-	280,284	7,573	272,711	-
	<u>-</u>	<u>386,989</u>	<u>-</u>	<u>386,989</u>	<u>114,278</u>	<u>272,711</u>	<u>-</u>
Transfers out:							
Special revenues	-	143,887	-	143,887	143,887	-	-
Capital reserves	-	983,280	-	983,280	989,017	(5,737)	-
Sewer fund - debt service	-	15,412	-	15,412	15,412	-	-
	<u>-</u>	<u>1,142,579</u>	<u>-</u>	<u>1,142,579</u>	<u>1,148,316</u>	<u>(5,737)</u>	<u>-</u>
Total Expenditures	<u>\$ 714,837</u>	<u>\$ 12,156,198</u>	<u>\$ 6,427,465</u>	<u>\$ 19,298,500</u>	<u>\$ 17,414,571</u>	<u>\$ 638,067</u>	<u>\$ 1,245,862</u>

See accompanying independent auditors' report.

## TOWN OF BUCKSPORT, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS – SCHOOL DEPARTMENT  
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Appropriations</u>	<u>Expenditures</u>	<u>Variance</u>
<b>REGULAR INSTRUCTION</b>			
Elementary	1,276,537	1,201,074	75,463
Middle School	1,309,313	1,325,528	(16,215)
High School	1,927,952	1,902,427	25,525
	<u>4,513,802</u>	<u>4,429,029</u>	<u>84,773</u>
<b>SPECIAL EDUCATION</b>			
Elementary	1,163,792	1,301,347	(137,555)
Secondary	482,227	353,118	129,109
Private	171,075	169,276	1,799
	<u>1,817,094</u>	<u>1,823,741</u>	<u>(6,647)</u>
<b>CAREER AND TECHNICAL EDUCATION</b>			
	<u>51,000</u>	<u>19,450</u>	<u>31,550</u>
<b>OTHER INSTRUCTION</b>			
Elementary -			
ESL	6,022	6,037	(15)
Summer school	4,065	3,928	137
After school	300	150	150
Student activities	2,000	580	1,420
Middle School -			
ESL	10,111	2,426	7,685
After school	200	-	200
Student activities	11,348	7,638	3,710
Athletics	59,264	56,377	2,887
High School -			
ESL	7,358	6,883	475
Summer school	9,904	8,093	1,811
Student activities	48,521	40,863	7,658
Athletics	179,344	177,659	1,685
	<u>338,437</u>	<u>310,634</u>	<u>27,803</u>

SCHEDULE C (CONTINUED)  
TOWN OF BUCKSPORT, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS – SCHOOL DEPARTMENT  
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Appropriations</u>	<u>Expenditures</u>	<u>Variance</u>
<b>STUDENT AND STAFF SUPPORT</b>			
Elementary -			
Guidance	27,986	33,683	(5,697)
Instructional staff training	17,348	10,793	6,555
Library services	31,692	25,799	5,893
Technology services	37,226	36,270	956
Middle School -			
Guidance	76,248	81,128	(4,880)
Instructional staff training	17,348	9,498	7,850
Library services	41,453	32,774	8,679
Technology services	37,291	36,189	1,102
High School -			
Guidance	150,693	133,925	16,768
Instructional staff training	23,200	16,429	6,771
Library services	85,950	82,925	3,025
Technology services	97,000	82,397	14,603
Student health	116,379	113,958	2,421
Improvement of instruction	118,310	123,552	(5,242)
Technology services	130,852	122,435	8,417
Student assessment	30,119	31,933	(1,814)
Building capital improvements -			
Elementary	5,100	5,822	(722)
Middle school	3,000	-	3,000
Jewett school	10,500	7,763	2,737
High school	12,400	9,687	2,713
	<u>1,070,095</u>	<u>996,960</u>	<u>73,135</u>
<b>SYSTEM ADMINISTRATION</b>			
School Board	48,527	34,886	13,641
Office of the Superintendent	303,277	277,720	25,557
	<u>351,804</u>	<u>312,606</u>	<u>39,198</u>
<b>SCHOOL ADMINISTRATION</b>			
Elementary	175,446	166,422	9,024
Middle School	182,606	179,501	3,105
High School	254,044	236,873	17,171
	<u>612,096</u>	<u>582,796</u>	<u>29,300</u>

SCHEDULE C (CONTINUED)  
TOWN OF BUCKSPORT, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS – SCHOOL DEPARTMENT  
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Appropriations</u>	<u>Expenditures</u>	<u>Variance</u>
<b>TRANSPORTATION</b>			
Elementary and secondary	506,108	458,008	48,100
Special education	77,500	49,819	27,681
Vocational education	20,563	16,100	4,463
	<u>604,171</u>	<u>523,927</u>	<u>80,244</u>
<b>FACILITIES MAINTENANCE</b>			
Elementary -			
Building operations	218,468	171,475	46,993
Custodial services	164,164	150,115	14,049
Middle School -			
Building operations	156,303	121,185	35,118
Custodial services	131,759	123,055	8,704
High School -			
Building operations	222,920	158,894	64,026
Custodial services	132,214	133,460	(1,246)
District maintenance	349,581	329,444	20,137
	<u>1,375,409</u>	<u>1,187,628</u>	<u>187,781</u>
<b>DEBT SERVICE</b>			
Principal	730,461	735,461	(5,000)
Interest	355,887	350,886	5,001
Total	<u>1,086,348</u>	<u>1,086,347</u>	<u>1</u>
<b>TRANSFERS OUT</b>			
Food service transfer	40,000	72,031	(32,031)
Other special revenue fund transfers	-	22,452	(22,452)
	<u>40,000</u>	<u>94,483</u>	<u>(54,483)</u>
<b>REMOVE RSU #25 EXPENDITURES</b>	<u>-</u>	<u>(140,154)</u>	<u>140,154</u>
	<u>\$ 11,860,256</u>	<u>\$ 11,227,447</u>	<u>\$ 632,809</u>

See accompanying independent auditors' report.

## TOWN OF BUCKSPORT, MAINE

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2009

	Special Revenue Funds	Capital Project Funds	Permanent Funds	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Cash	\$ 125,581	\$ -	\$ -	\$ 125,581
Investments	51,798	-	29,027	80,825
Accounts receivable	115,844	-	-	115,844
Inventory	5,149	-	-	5,149
Prepaid items	3,000	-	-	3,000
Due from other governments	91,920	-	-	91,920
Due from other funds	637,625	1,715,429	128,827	2,481,881
Total assets	<u>\$ 1,030,917</u>	<u>\$ 1,715,429</u>	<u>\$ 157,854</u>	<u>\$ 2,904,200</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 18,147	\$ -	\$ -	\$ 18,147
Accrued payroll	-	-	-	-
Due to other funds	70,860	-	-	70,860
Total liabilities	<u>89,007</u>	<u>-</u>	<u>-</u>	<u>89,007</u>
<b>FUND EQUITY</b>				
Fund balance:				
Reserved for endowments	-	-	71,199	71,199
Unreserved:				
Designated for subsequent years' expenditures	954,729	1,715,429	86,655	2,756,813
Undesignated	(12,819)	-	-	(12,819)
Total fund equity	<u>941,910</u>	<u>1,715,429</u>	<u>157,854</u>	<u>2,815,193</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>\$ 1,030,917</u>	<u>\$ 1,715,429</u>	<u>\$ 157,854</u>	<u>\$ 2,904,200</u>

See accompanying independent auditors' report.

## TOWN OF BUCKSPORT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE – NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2009

	Special Revenue Funds	Capital Project Funds	Permanent Funds	Total Nonmajor Governmental Funds
REVENUES				
Intergovernmental	\$ 1,603,654	\$ -	\$ -	\$ 1,603,654
Interest/Gains & Losses	16,007	63,963	8,033	88,003
Donations	1,490	-	-	1,490
Other	363,362	18,054	-	381,416
TOTAL REVENUES	<u>1,984,513</u>	<u>82,017</u>	<u>8,033</u>	<u>2,074,563</u>
EXPENDITURES				
Current:				
General Government	103,667	3,199	-	106,866
Protection	18,689	7,801	-	26,490
Public Works	376	71,192	-	71,568
Health and Sanitation	-	-	-	-
Human Services	145,668	-	-	145,668
Education	1,454,756	-	-	1,454,756
Environment & Housing	1,670	-	-	1,670
Culture & Recreation	9,371	20,202	-	29,573
Cemeteries	-	-	15,783	15,783
Capital Outlay	303,435	2,000,150	-	2,303,585
TOTAL EXPENDITURES	<u>2,037,632</u>	<u>2,102,544</u>	<u>15,783</u>	<u>4,155,959</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(53,119)</u>	<u>(2,020,527)</u>	<u>(7,750)</u>	<u>(2,081,396)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	280,433	993,767	-	1,274,200
Transfers Out	<u>(87,304)</u>	<u>(2,286)</u>	<u>(4,500)</u>	<u>(94,090)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>193,129</u>	<u>991,481</u>	<u>(4,500)</u>	<u>1,180,110</u>
NET CHANGE IN FUND BALANCE	140,010	(1,029,046)	(12,250)	(901,286)
FUND BALANCE - JULY 1	<u>801,900</u>	<u>2,744,475</u>	<u>170,104</u>	<u>3,716,479</u>
FUND BALANCE - JUNE 30	<u>\$ 941,910</u>	<u>\$ 1,715,429</u>	<u>\$ 157,854</u>	<u>\$ 2,815,193</u>

See accompanying independent auditors' report.

## Special Revenue Funds

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

## TOWN OF BUCKSPORT, MAINE

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2009

	2006 CDBG Infrastructure	2008 CDBG Enterprise	DHHS OSA Grant SA3-08	DEP Small Community	CDBG Housing Assistance	Harbor Improvement	Healthy ME Partnership
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	1,684
Due from other funds	-	53,359	-	-	-	-	13,452
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ 53,359</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 15,136</b>
LIABILITIES AND FUND EQUITY							
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,136
Accrued payroll	-	-	-	-	-	-	-
Due to other funds	-	-	-	376	1,000	-	-
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>376</b>	<b>1,000</b>	<b>-</b>	<b>15,136</b>
FUND EQUITY							
Fund balance:							
Unreserved:							
Designated for subsequent years' expenditures	-	53,359	-	-	-	-	-
Undesignated	-	-	-	(376)	(1,000)	-	-
<b>TOTAL FUND EQUITY</b>	<b>-</b>	<b>53,359</b>	<b>-</b>	<b>(376)</b>	<b>(1,000)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ -</b>	<b>\$ 53,359</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 15,136</b>

## TOWN OF BUCKSPORT, MAINE

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2009

	Diversion Program	Bucksport Football	Bucksport Fire Department	Local General Assistance	Health Advisor	2008 CDBG Technical	Food Stamp Nutrition Ed. Grant
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	3,025	-	-
Due from other funds	5,631	4,607	-	625	6,317	-	4,646
TOTAL ASSETS	<u>\$ 5,631</u>	<u>\$ 4,607</u>	<u>\$ -</u>	<u>\$ 625</u>	<u>\$ 9,342</u>	<u>\$ -</u>	<u>\$ 4,646</u>
LIABILITIES AND FUND EQUITY							
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	3,025	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,025</u>	<u>-</u>	<u>-</u>
FUND EQUITY							
Fund balance:							
Unreserved:							
Designated for subsequent years' expenditures	5,631	4,607	-	625	6,317	-	4,646
Undesignated	-	-	-	-	-	-	-
TOTAL FUND EQUITY	<u>5,631</u>	<u>4,607</u>	<u>-</u>	<u>625</u>	<u>6,317</u>	<u>-</u>	<u>4,646</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 5,631</u>	<u>\$ 4,607</u>	<u>\$ -</u>	<u>\$ 625</u>	<u>\$ 9,342</u>	<u>\$ -</u>	<u>\$ 4,646</u>

## TOWN OF BUCKSPORT, MAINE

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2009

	IP Donation	Johnson & Johnson Grant	Maine Forestry Grant	Project Canopy Assistance Grant	DARE	Bucksport Youth Council	Police Explorers
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-
Due from other funds	1,388	668	1,527	-	6,034	947	291
TOTAL ASSETS	<u>\$ 1,388</u>	<u>\$ 668</u>	<u>\$ 1,527</u>	<u>\$ -</u>	<u>\$ 6,034</u>	<u>\$ 947</u>	<u>\$ 291</u>
LIABILITIES AND FUND EQUITY							
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND EQUITY							
Fund balance:							
Unreserved:							
Designated for subsequent years' expenditures	1,388	668	1,527	-	6,034	947	291
Undesignated	-	-	-	-	-	-	-
TOTAL FUND EQUITY	<u>1,388</u>	<u>668</u>	<u>1,527</u>	<u>-</u>	<u>6,034</u>	<u>947</u>	<u>291</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 1,388</u>	<u>\$ 668</u>	<u>\$ 1,527</u>	<u>\$ -</u>	<u>\$ 6,034</u>	<u>\$ 947</u>	<u>\$ 291</u>

## TOWN OF BUCKSPORT, MAINE

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2009

	Community for Children	Vacation & Sick Reserve	Unemployment Reserve	Christmas Lights	Bucksport Police	HLS Fire	Soccer Camp
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-
Due from other funds	1,524	176,445	63,321	7,167	-	-	1,950
TOTAL ASSETS	<u>\$ 1,524</u>	<u>\$ 176,445</u>	<u>\$ 63,321</u>	<u>\$ 7,167</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,950</u>
LIABILITIES AND FUND EQUITY							
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND EQUITY							
Fund balance:							
Unreserved:							
Designated for subsequent years' expenditures	1,524	176,445	63,321	7,167	-	-	1,950
Undesignated	-	-	-	-	-	-	-
TOTAL FUND EQUITY	<u>1,524</u>	<u>176,445</u>	<u>63,321</u>	<u>7,167</u>	<u>-</u>	<u>-</u>	<u>1,950</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 1,524</u>	<u>\$ 176,445</u>	<u>\$ 63,321</u>	<u>\$ 7,167</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,950</u>

## TOWN OF BUCKSPORT, MAINE

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2009

	RLF & Microloan	2008 MITF Grant	Youth Wrestling	Youth Softball	2008 JJAG Grant	2009 OSA SAPT BG	Adult Education
<b>ASSETS</b>							
Cash	\$ 66,037	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 59,544
Investments	51,798	-	-	-	-	-	-
Accounts receivable	104,172	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	3,000
Due from other governments	-	-	-	-	-	-	-
Due from other funds	-	-	-	318	-	2,943	-
<b>TOTAL ASSETS</b>	<u>\$ 222,007</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 318</u>	<u>\$ -</u>	<u>\$ 2,943</u>	<u>\$ 62,544</u>
<b>LIABILITIES AND FUND EQUITY</b>							
<b>LIABILITIES</b>							
Accounts payable	\$ 15	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-	-	-	-
Due to other funds	-	250	-	-	-	-	34,891
<b>TOTAL LIABILITIES</b>	<u>15</u>	<u>250</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,891</u>
<b>FUND EQUITY</b>							
Fund balance:							
Unreserved:							
Designated for subsequent years' expenditures	221,992	-	-	318	-	2,943	27,653
Undesignated	-	(250)	-	-	-	-	-
<b>TOTAL FUND EQUITY</b>	<u>221,992</u>	<u>(250)</u>	<u>-</u>	<u>318</u>	<u>-</u>	<u>2,943</u>	<u>27,653</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>\$ 222,007</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 318</u>	<u>\$ -</u>	<u>\$ 2,943</u>	<u>\$ 62,544</u>

## TOWN OF BUCKSPORT, MAINE

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2009

	<u>School Lunch</u>	<u>NCLB IA</u>	<u>NCLB IIA</u>	<u>NCLB IID</u>	<u>NCLB V</u>	<u>Local Entitlement</u>	<u>Local Entitlement Preschool</u>
<b>ASSETS</b>							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-
Accounts receivable	11,672	-	-	-	-	-	-
Inventory	5,149	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
Due from other governments	-	-	8,664	2,912	-	64,145	-
Due from other funds	-	758	1,892	20,618	25	3,787	-
<b>TOTAL ASSETS</b>	<u>\$ 16,821</u>	<u>\$ 758</u>	<u>\$ 10,556</u>	<u>\$ 23,530</u>	<u>\$ 25</u>	<u>\$ 67,932</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND EQUITY</b>							
<b>LIABILITIES</b>							
Accounts payable	\$ 2,996	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-	-	-	-
Due to other funds	13,825	-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<u>16,821</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND EQUITY</b>							
Fund balance:							
Unreserved:							
Designated for subsequent years' expenditures	-	758	10,556	23,530	25	67,932	-
Undesignated	-	-	-	-	-	-	-
<b>TOTAL FUND EQUITY</b>	<u>-</u>	<u>758</u>	<u>10,556</u>	<u>23,530</u>	<u>25</u>	<u>67,932</u>	<u>-</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>\$ 16,821</u>	<u>\$ 758</u>	<u>\$ 10,556</u>	<u>\$ 23,530</u>	<u>\$ 25</u>	<u>\$ 67,932</u>	<u>\$ -</u>

## TOWN OF BUCKSPORT, MAINE

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2009

	Health Grant	NCLB IVA Drug Free	Title VI Rural Low Income	U of ME AP 4 All Grant	Tech Grant	U of ME Team Nutrition	High School ECM
<b>ASSETS</b>							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
Due from other governments	-	-	5,190	-	-	-	-
Due from other funds	23,546	5,673	27,645	535	234	371	16,735
<b>TOTAL ASSETS</b>	<u>\$ 23,546</u>	<u>\$ 5,673</u>	<u>\$ 32,835</u>	<u>\$ 535</u>	<u>\$ 234</u>	<u>\$ 371</u>	<u>\$ 16,735</u>
<b>LIABILITIES AND FUND EQUITY</b>							
<b>LIABILITIES</b>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND EQUITY</b>							
Fund balance:							
Unreserved:							
Designated for subsequent years' expenditures	23,546	5,673	32,835	535	234	371	16,735
Undesignated	-	-	-	-	-	-	-
<b>TOTAL FUND EQUITY</b>	<u>23,546</u>	<u>5,673</u>	<u>32,835</u>	<u>535</u>	<u>234</u>	<u>371</u>	<u>16,735</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>\$ 23,546</u>	<u>\$ 5,673</u>	<u>\$ 32,835</u>	<u>\$ 535</u>	<u>\$ 234</u>	<u>\$ 371</u>	<u>\$ 16,735</u>

## TOWN OF BUCKSPORT, MAINE

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2009

	Breton Co-op	Seed Grant	Maine Tech. College	State Agency Client	Maine Arts Commission	BHS Daycare Worker	REACH
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-
Due from other funds	1,754	200	1,000	25,025	-	2,266	-
TOTAL ASSETS	<u>\$ 1,754</u>	<u>\$ 200</u>	<u>\$ 1,000</u>	<u>\$ 25,025</u>	<u>\$ -</u>	<u>\$ 2,266</u>	<u>\$ -</u>
LIABILITIES AND FUND EQUITY							
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND EQUITY							
Fund balance:							
Unreserved:							
Designated for subsequent years' expenditures	1,754	200	1,000	25,025	-	2,266	-
Undesignated	-	-	-	-	-	-	-
TOTAL FUND EQUITY	<u>1,754</u>	<u>200</u>	<u>1,000</u>	<u>25,025</u>	<u>-</u>	<u>2,266</u>	<u>-</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 1,754</u>	<u>\$ 200</u>	<u>\$ 1,000</u>	<u>\$ 25,025</u>	<u>\$ -</u>	<u>\$ 2,266</u>	<u>\$ -</u>

SCHEDULE F (CONTINUED)

TOWN OF BUCKSPORT, MAINE

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2009

	<u>RSU</u>	<u>Stimulus Funds</u>	<u>Misc. Funds</u>	<u>Totals</u>
<b>ASSETS</b>				
Cash	\$ -	\$ -	\$ -	\$ 125,581
Investments	-	-	-	51,798
Accounts receivable	-	-	-	115,844
Inventory	-	-	-	5,149
Prepaid items	-	-	-	3,000
Due from other governments	6,300	-	-	91,920
Due from other funds	-	150,127	2,274	637,625
<b>TOTAL ASSETS</b>	<u>\$ 6,300</u>	<u>\$ 150,127</u>	<u>\$ 2,274</u>	<u>\$ 1,030,917</u>
<b>LIABILITIES AND FUND EQUITY</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ 18,147
Accrued payroll	-	-	-	-
Due to other funds	17,493	-	-	70,860
<b>TOTAL LIABILITIES</b>	<u>17,493</u>	<u>-</u>	<u>-</u>	<u>89,007</u>
<b>FUND EQUITY</b>				
Fund balance:				
Unreserved:				
Designated for subsequent years' expenditures	-	150,127	2,274	954,729
Undesignated	(11,193)	-	-	(12,819)
<b>TOTAL FUND EQUITY</b>	<u>(11,193)</u>	<u>150,127</u>	<u>2,274</u>	<u>941,910</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>\$ 6,300</u>	<u>\$ 150,127</u>	<u>\$ 2,274</u>	<u>\$ 1,030,917</u>

See accompanying independent auditors' report.

## TOWN OF BUCKSPORT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2009

	2006 CDBG Infrastructure	2008 CDBG Enterprise	DHHS OSA Grant SA3-08	DEP Small Community	CDBG Housing Assistance	Harbor Improvement	Healthy ME Partnership
REVENUES							
Intergovernmental	\$ 56,063	\$ 104,754	\$ 19,115	\$ -	\$ -	\$ 1,921	\$ 76,111
Interest/Gains & Losses	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
TOTAL REVENUES	<u>56,063</u>	<u>104,754</u>	<u>19,115</u>	<u>-</u>	<u>-</u>	<u>1,921</u>	<u>76,111</u>
EXPENDITURES							
Current:							
General Government	-	-	-	-	-	-	-
Protection	-	-	-	-	-	-	-
Public Works	-	-	-	376	-	-	-
Health and Sanitation	-	-	-	-	-	-	-
Human Services	-	-	24,128	-	-	-	65,062
Education	-	-	-	-	-	-	-
Environment & Housing	-	-	-	-	1,000	-	-
Culture & Recreation	-	-	-	-	-	3,642	-
Capital Outlay	52,510	106,473	-	-	-	-	-
TOTAL EXPENDITURES	<u>52,510</u>	<u>106,473</u>	<u>24,128</u>	<u>376</u>	<u>1,000</u>	<u>3,642</u>	<u>65,062</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>3,553</u>	<u>(1,719)</u>	<u>(5,013)</u>	<u>(376)</u>	<u>(1,000)</u>	<u>(1,721)</u>	<u>11,049</u>
OTHER FINANCING SOURCES (USES)							
Operating Transfers In	-	-	-	-	-	1,921	401
Operating Transfers Out	(348)	55,122	-	-	-	-	(4,801)
Grant Funds Returned	-	-	(2,245)	-	-	-	(17,413)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(348)</u>	<u>55,122</u>	<u>(2,245)</u>	<u>-</u>	<u>-</u>	<u>1,921</u>	<u>(21,813)</u>
NET CHANGE IN FUND BALANCE	3,205	53,403	(7,258)	(376)	(1,000)	200	(10,764)
FUND BALANCE - JULY 1	<u>(3,205)</u>	<u>(44)</u>	<u>7,258</u>	<u>-</u>	<u>-</u>	<u>(200)</u>	<u>10,764</u>
FUND BALANCE - JUNE 30	<u>\$ -</u>	<u>\$ 53,359</u>	<u>\$ -</u>	<u>\$ (376)</u>	<u>\$ (1,000)</u>	<u>\$ -</u>	<u>\$ -</u>

## TOWN OF BUCKSPORT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2009

	Diversion Program	Bucksport Football	Bucksport Fire Department	Local General Assistance	Health Advisor	2008 CDBG Technical	Food Stamp Nutrition Ed. Grant
REVENUES							
Intergovernmental	\$ 25,013	\$ -	\$ 2,957	\$ -	\$ 9,275	\$ 24,901	\$ 2,000
Interest/Gains & Losses	-	-	-	-	-	-	-
Donations	-	-	-	75	-	-	-
Other	-	3,085	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>25,013</b>	<b>3,085</b>	<b>2,957</b>	<b>75</b>	<b>9,275</b>	<b>24,901</b>	<b>2,000</b>
EXPENDITURES							
Current:							
General Government	-	-	-	-	-	24,901	-
Protection	-	-	2,957	-	-	-	-
Public Works	-	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-	-
Human Services	25,117	-	-	-	4,958	-	1,500
Education	-	-	-	-	-	-	-
Environment & Housing	-	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>25,117</b>	<b>-</b>	<b>2,957</b>	<b>-</b>	<b>4,958</b>	<b>24,901</b>	<b>1,500</b>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(104)	3,085	-	75	4,317	-	500
OTHER FINANCING SOURCES (USES)							
Operating Transfers In	5,635	-	-	-	1,000	-	-
Operating Transfers Out	-	-	-	-	-	-	-
Grant Funds Returned	-	-	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>5,635</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,000</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>5,531</b>	<b>3,085</b>	<b>-</b>	<b>75</b>	<b>5,317</b>	<b>-</b>	<b>500</b>
<b>FUND BALANCE - JULY 1</b>	<b>100</b>	<b>1,522</b>	<b>-</b>	<b>550</b>	<b>1,000</b>	<b>-</b>	<b>4,146</b>
<b>FUND BALANCE - JUNE 30</b>	<b>\$ 5,631</b>	<b>\$ 4,607</b>	<b>\$ -</b>	<b>\$ 625</b>	<b>\$ 6,317</b>	<b>\$ -</b>	<b>\$ 4,646</b>

## TOWN OF BUCKSPORT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2009

	IP Donation	Johnson & Johnson Grant	Maine Forestry Grant	Project Canopy Assistance Grant	DARE	Bucksport Youth Council	Police Explorers
REVENUES							
Intergovernmental	\$ -	\$ -	\$ -	\$ 2,517	\$ -	\$ -	\$ -
Interest/Gains & Losses	-	-	-	-	-	-	-
Donations	-	-	-	-	275	-	-
Other	-	-	-	-	-	-	-
TOTAL REVENUES	-	-	-	2,517	275	-	-
EXPENDITURES							
Current:							
General Government	-	-	-	-	-	-	-
Protection	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-	-
Human Services	1,975	-	-	-	-	-	-
Education	-	-	-	-	-	-	-
Environment & Housing	-	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
TOTAL EXPENDITURES	1,975	-	-	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,975)	-	-	2,517	275	-	-
OTHER FINANCING SOURCES (USES)							
Operating Transfers In	-	-	-	308	-	-	-
Operating Transfers Out	-	-	(308)	-	-	-	-
Grant Funds Returned	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(308)	308	-	-	-
NET CHANGE IN FUND BALANCE	(1,975)	-	(308)	2,825	275	-	-
FUND BALANCE - JULY 1	3,363	668	1,835	(2,825)	5,759	947	291
FUND BALANCE - JUNE 30	\$ 1,388	\$ 668	\$ 1,527	\$ -	\$ 6,034	\$ 947	\$ 291

## TOWN OF BUCKSPORT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2009

	Community for Children	Vacation & Sick Reserve	Unemployment Reserve	Christmas Lights	Bucksport Police	HLS Fire	Soccer Camp
REVENUES							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 2,085	\$ 88,131	\$ -
Interest/Gains & Losses	-	8,590	3,377	-	-	-	-
Donations	-	-	-	1,140	-	-	-
Other	-	-	-	-	-	-	-
TOTAL REVENUES	-	8,590	3,377	1,140	2,085	88,131	-
EXPENDITURES							
Current:							
General Government	-	16,355	-	1,428	-	-	-
Protection	-	-	-	-	-	15,732	-
Public Works	-	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-	-
Human Services	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-
Environment & Housing	-	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	67,649	-
TOTAL EXPENDITURES	-	16,355	-	1,428	-	83,381	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(7,765)	3,377	(288)	2,085	4,750	-
OTHER FINANCING SOURCES (USES)							
Operating Transfers In	-	-	-	1,800	365	-	-
Operating Transfers Out	-	-	(11,874)	-	-	(4,750)	-
Grant Funds Returned	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(11,874)	1,800	365	(4,750)	-
NET CHANGE IN FUND BALANCE	-	(7,765)	(8,497)	1,512	2,450	-	-
FUND BALANCE - JULY 1	1,524	184,210	71,818	5,655	(2,450)	-	1,950
FUND BALANCE - JUNE 30	\$ 1,524	\$ 176,445	\$ 63,321	\$ 7,167	\$ -	\$ -	\$ 1,950

## TOWN OF BUCKSPORT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2009

	RLF & Microloan	2008 MITF Grant	Youth Wrestling	Youth Softball	2008 JJAG Grant	2009 OSA SAPT BG	Adult Education
REVENUES							
Intergovernmental	\$ -	\$ 76,553	\$ -	\$ -	\$ 1,682	\$ 10,056	\$ 80,733
Interest/Gains & Losses	4,040	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-
Other	-	-	940	5,107	-	-	72,652
TOTAL REVENUES	<u>4,040</u>	<u>76,553</u>	<u>940</u>	<u>5,107</u>	<u>1,682</u>	<u>10,056</u>	<u>153,385</u>
EXPENDITURES							
Current:							
General Government	60,983	-	-	-	-	-	-
Protection	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-	-
Human Services	-	-	-	-	1,682	5,280	-
Education	-	-	-	-	-	-	255,426
Environment & Housing	670	-	-	-	-	-	-
Culture & Recreation	-	-	940	4,789	-	-	-
Capital Outlay	-	76,803	-	-	-	-	-
TOTAL EXPENDITURES	<u>61,653</u>	<u>76,803</u>	<u>940</u>	<u>4,789</u>	<u>1,682</u>	<u>5,280</u>	<u>255,426</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(57,613)</u>	<u>(250)</u>	<u>-</u>	<u>318</u>	<u>-</u>	<u>4,776</u>	<u>(102,041)</u>
OTHER FINANCING SOURCES (USES)							
Operating Transfers In	-	-	-	-	-	-	88,765
Operating Transfers Out	(14)	-	-	-	-	(1,833)	-
Grant Funds Returned	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(14)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,833)</u>	<u>88,765</u>
NET CHANGE IN FUND BALANCE	<u>(57,627)</u>	<u>(250)</u>	<u>-</u>	<u>318</u>	<u>-</u>	<u>2,943</u>	<u>(13,276)</u>
FUND BALANCE - JULY 1	<u>279,619</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,929</u>
FUND BALANCE - JUNE 30	<u>\$ 221,992</u>	<u>\$ (250)</u>	<u>\$ -</u>	<u>\$ 318</u>	<u>\$ -</u>	<u>\$ 2,943</u>	<u>\$ 27,653</u>

## TOWN OF BUCKSPORT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2009

	School Lunch	NCLB IA	NCLB IIA	NCLB IID	NCLB V	Local Entitlement	Local Entitlement Preschool
REVENUES							
Intergovernmental	\$ 180,758	\$ 233,656	\$ 76,799	\$ 2,912	\$ -	\$ 256,582	\$ 3,819
Interest/Gains & Losses	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-
Other	186,373	-	-	-	-	-	-
TOTAL REVENUES	<u>367,131</u>	<u>233,656</u>	<u>76,799</u>	<u>2,912</u>	<u>-</u>	<u>256,582</u>	<u>3,819</u>
EXPENDITURES							
Current:							
General Government	-	-	-	-	-	-	-
Protection	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-	-
Human Services	-	-	-	-	-	-	-
Education	467,637	263,146	85,857	22,992	-	227,863	6,513
Environment & Housing	-	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
TOTAL EXPENDITURES	<u>467,637</u>	<u>263,146</u>	<u>85,857</u>	<u>22,992</u>	<u>-</u>	<u>227,863</u>	<u>6,513</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(100,506)</u>	<u>(29,490)</u>	<u>(9,058)</u>	<u>(20,080)</u>	<u>-</u>	<u>28,719</u>	<u>(2,694)</u>
OTHER FINANCING SOURCES (USES)							
Operating Transfers In	72,031	21,896	-	69,737	10,047	-	-
Operating Transfers Out	-	-	(50,843)	-	-	(940)	-
Grant Funds Returned	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>72,031</u>	<u>21,896</u>	<u>(50,843)</u>	<u>69,737</u>	<u>10,047</u>	<u>(940)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(28,475)	(7,594)	(59,901)	49,657	10,047	27,779	(2,694)
FUND BALANCE - JULY 1	28,475	8,352	70,457	(26,127)	(10,022)	40,153	2,694
FUND BALANCE - JUNE 30	<u>\$ -</u>	<u>\$ 758</u>	<u>\$ 10,556</u>	<u>\$ 23,530</u>	<u>\$ 25</u>	<u>\$ 67,932</u>	<u>\$ -</u>

## TOWN OF BUCKSPORT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2009

	Health Grant	NCLB IVA Drug Free	Title VI Rural Low Income	U of ME AP 4 All Grant	Tech Grant	U of ME Team Nutrition	High School ECM
REVENUES							
Intergovernmental	\$ 82,359	\$ 5,673	\$ 40,460	\$ -	\$ -	\$ -	\$ -
Interest/Gains & Losses	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
TOTAL REVENUES	<u>82,359</u>	<u>5,673</u>	<u>40,460</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES							
Current:							
General Government	-	-	-	-	-	-	-
Protection	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-	-
Human Services	-	-	-	-	-	-	-
Education	78,009	-	21,689	-	-	-	-
Environment & Housing	-	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
TOTAL EXPENDITURES	<u>78,009</u>	<u>-</u>	<u>21,689</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>4,350</u>	<u>5,673</u>	<u>18,771</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)							
Operating Transfers In	-	-	6,527	-	-	-	-
Operating Transfers Out	-	(10,365)	-	-	-	-	-
Grant Funds Returned	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>(10,365)</u>	<u>6,527</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>4,350</u>	<u>(4,692)</u>	<u>25,298</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - JULY 1	<u>19,196</u>	<u>10,365</u>	<u>7,537</u>	<u>535</u>	<u>234</u>	<u>371</u>	<u>16,735</u>
FUND BALANCE - JUNE 30	<u>\$ 23,546</u>	<u>\$ 5,673</u>	<u>\$ 32,835</u>	<u>\$ 535</u>	<u>\$ 234</u>	<u>\$ 371</u>	<u>\$ 16,735</u>

## TOWN OF BUCKSPORT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2009

	Breton Co-op	Seed Grant	Maine Tech. College	State Agency Client	Maine Arts Commission	BHS Daycare Worker	REACH
REVENUES							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest/Gains & Losses	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-
Other	-	-	-	-	-	15,160	71,914
TOTAL REVENUES	-	-	-	-	-	15,160	71,914
EXPENDITURES							
Current:							
General Government	-	-	-	-	-	-	-
Protection	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-	-
Human Services	-	-	-	-	-	15,966	-
Education	-	-	-	-	-	-	-
Environment & Housing	-	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-	-	15,966	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-	-	(806)	71,914
OTHER FINANCING SOURCES (USES)							
Operating Transfers In	-	-	-	-	-	-	-
Operating Transfers Out	-	-	-	-	(7,500)	-	(48,850)
Grant Funds Returned	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	(7,500)	-	(48,850)
NET CHANGE IN FUND BALANCE	-	-	-	-	(7,500)	(806)	23,064
FUND BALANCE - JULY 1	1,754	200	1,000	25,025	7,500	3,072	(23,064)
FUND BALANCE - JUNE 30	\$ 1,754	\$ 200	\$ 1,000	\$ 25,025	\$ -	\$ 2,266	\$ -

## TOWN OF BUCKSPORT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES - NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2009

	<u>RSU</u>	<u>Stimulus Funds</u>	<u>Misc. Funds</u>	<u>Totals</u>
REVENUES				
Intergovernmental	\$ 6,300	\$ 150,127	\$ -	\$ 1,623,312
Interest/Gains & Losses	-	-	-	16,007
Donations	-	-	-	1,490
Other	8,131	-	-	363,362
TOTAL REVENUES	<u>14,431</u>	<u>150,127</u>	<u>-</u>	<u>2,004,171</u>
EXPENDITURES				
Current:				
General Government	-	-	-	103,667
Protection	-	-	-	18,689
Public Works	-	-	-	376
Health and Sanitation	-	-	-	-
Human Services	-	-	-	145,668
Education	25,624	-	-	1,454,756
Environment & Housing	-	-	-	1,670
Culture & Recreation	-	-	-	9,371
Capital Outlay	-	-	-	303,435
TOTAL EXPENDITURES	<u>25,624</u>	<u>-</u>	<u>-</u>	<u>2,037,632</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(11,193)</u>	<u>150,127</u>	<u>-</u>	<u>(33,461)</u>
OTHER FINANCING SOURCES (USES)				
Operating Transfers In	-	-	-	280,433
Operating Transfers Out	-	-	-	(87,304)
Grant Funds Returned	-	-	-	(19,658)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>173,471</u>
NET CHANGE IN FUND BALANCE	(11,193)	150,127	-	140,010
FUND BALANCE - JULY 1	<u>-</u>	<u>-</u>	<u>2,274</u>	<u>801,900</u>
FUND BALANCE - JUNE 30	<u>\$ (11,193)</u>	<u>\$ 150,127</u>	<u>\$ 2,274</u>	<u>\$ 941,910</u>

See accompanying independent auditors' report.

## Capital Project Funds

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

## TOWN OF BUCKSPORT, MAINE

COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECT FUNDS  
JUNE 30, 2009

	Highway Equipment	Fire Equipment	Waterfront Improvements	Ambulance	Municipal Building	Solid Waste	Recreation Equipment
ASSETS							
Accounts receivable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	91,577	200,885	76,134	31,081	37,591	84,730	60,594
TOTAL ASSETS	<u>\$ 91,577</u>	<u>\$ 200,885</u>	<u>\$ 76,134</u>	<u>\$ 31,081</u>	<u>\$ 37,591</u>	<u>\$ 84,730</u>	<u>\$ 60,594</u>
LIABILITIES AND FUND EQUITY							
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND EQUITY							
Fund balance:							
Unreserved:							
Designated for subsequent years' expenditures	91,577	200,885	76,134	31,081	37,591	84,730	60,594
Undesignated	-	-	-	-	-	-	-
TOTAL FUND EQUITY	<u>91,577</u>	<u>200,885</u>	<u>76,134</u>	<u>31,081</u>	<u>37,591</u>	<u>84,730</u>	<u>60,594</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 91,577</u>	<u>\$ 200,885</u>	<u>\$ 76,134</u>	<u>\$ 31,081</u>	<u>\$ 37,591</u>	<u>\$ 84,730</u>	<u>\$ 60,594</u>

## TOWN OF BUCKSPORT, MAINE

COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECT FUNDS  
JUNE 30, 2009

	<u>Recreation Facility</u>	<u>Recreation Revenue Reserve</u>	<u>Police Equipment</u>	<u>Public Safety</u>	<u>Town Garage</u>	<u>Cable TV</u>	<u>Dog Kennel</u>
ASSETS							
Accounts receivable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	51,793	83,206	71,115	56,997	99,762	15,683	15,889
TOTAL ASSETS	<u>\$ 51,793</u>	<u>\$ 83,206</u>	<u>\$ 71,115</u>	<u>\$ 56,997</u>	<u>\$ 99,762</u>	<u>\$ 15,683</u>	<u>\$ 15,889</u>
LIABILITIES AND FUND EQUITY							
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND EQUITY							
Fund balance:							
Unreserved:							
Designated for subsequent years' expenditures	51,793	83,206	71,115	56,997	99,762	15,683	15,889
Undesignated	-	-	-	-	-	-	-
TOTAL FUND EQUITY	<u>51,793</u>	<u>83,206</u>	<u>71,115</u>	<u>56,997</u>	<u>99,762</u>	<u>15,683</u>	<u>15,889</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 51,793</u>	<u>\$ 83,206</u>	<u>\$ 71,115</u>	<u>\$ 56,997</u>	<u>\$ 99,762</u>	<u>\$ 15,683</u>	<u>\$ 15,889</u>

## TOWN OF BUCKSPORT, MAINE

COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECT FUNDS  
JUNE 30, 2009

	<u>Willow &amp; Wasson House</u>	<u>Defense Fund</u>	<u>High School Energy</u>	<u>Drug Forfeiture</u>	<u>Town Office Equipment</u>	<u>Dispatch Equipment</u>	<u>Transfer Station</u>
ASSETS							
Accounts receivable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	1,238	3,983	-	901	33,307	71,457	46,889
TOTAL ASSETS	<u>\$ 1,238</u>	<u>\$ 3,983</u>	<u>\$ -</u>	<u>\$ 901</u>	<u>\$ 33,307</u>	<u>\$ 71,457</u>	<u>\$ 46,889</u>
LIABILITIES AND FUND EQUITY							
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND EQUITY							
Fund balance:							
Unreserved:							
Designated for subsequent years' expenditures	1,238	3,983	-	901	33,307	71,457	46,889
Undesignated	-	-	-	-	-	-	-
TOTAL FUND EQUITY	<u>1,238</u>	<u>3,983</u>	<u>-</u>	<u>901</u>	<u>33,307</u>	<u>71,457</u>	<u>46,889</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 1,238</u>	<u>\$ 3,983</u>	<u>\$ -</u>	<u>\$ 901</u>	<u>\$ 33,307</u>	<u>\$ 71,457</u>	<u>\$ 46,889</u>

## TOWN OF BUCKSPORT, MAINE

COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECT FUNDS  
JUNE 30, 2009

	Silver Lake Property	Parking Lots	Swimming Pool	Chamber Building	Middle School Capital	Housing Rehab.	Jewett School
ASSETS							
Accounts receivable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	14,515	13,458	36,896	5,096	-	1,093	9,025
TOTAL ASSETS	<u>\$ 14,515</u>	<u>\$ 13,458</u>	<u>\$ 36,896</u>	<u>\$ 5,096</u>	<u>\$ -</u>	<u>\$ 1,093</u>	<u>\$ 9,025</u>
LIABILITIES AND FUND EQUITY							
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND EQUITY							
Fund balance:							
Unreserved:							
Designated for subsequent years' expenditures	14,515	13,458	36,896	5,096	-	1,093	9,025
Undesignated	-	-	-	-	-	-	-
TOTAL FUND EQUITY	<u>14,515</u>	<u>13,458</u>	<u>36,896</u>	<u>5,096</u>	<u>-</u>	<u>1,093</u>	<u>9,025</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 14,515</u>	<u>\$ 13,458</u>	<u>\$ 36,896</u>	<u>\$ 5,096</u>	<u>\$ -</u>	<u>\$ 1,093</u>	<u>\$ 9,025</u>

## TOWN OF BUCKSPORT, MAINE

COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECT FUNDS  
JUNE 30, 2009

	<u>Gardiner School</u>	<u>Highway Improvement</u>	<u>Industrial Park Land Purchase</u>	<u>Miles Ln Bathroom and Concession</u>	<u>High School Building Project</u>	<u>Totals</u>
ASSETS						
Accounts receivable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	559	76,245	6,163	20,384	397,183	1,715,429
TOTAL ASSETS	<u>\$ 559</u>	<u>\$ 76,245</u>	<u>\$ 6,163</u>	<u>\$ 20,384</u>	<u>\$ 397,183</u>	<u>\$ 1,715,429</u>
LIABILITIES AND FUND EQUITY						
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND EQUITY						
Fund balance:						
Unreserved:						
Designated for subsequent years' expenditures	559	76,245	6,163	20,384	397,183	1,715,429
Undesignated	-	-	-	-	-	-
TOTAL FUND EQUITY	<u>559</u>	<u>76,245</u>	<u>6,163</u>	<u>20,384</u>	<u>397,183</u>	<u>1,715,429</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 559</u>	<u>\$ 76,245</u>	<u>\$ 6,163</u>	<u>\$ 20,384</u>	<u>\$ 397,183</u>	<u>\$ 1,715,429</u>

See accompanying independent auditors' report.

## TOWN OF BUCKSPORT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR CAPITAL PROJECT FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2009

	Highway Equipment	Fire Equipment	Waterfront Improvements	Ambulance	Municipal Building	Solid Waste	Recreation Equipment
REVENUES							
Interest	\$ 4,210	\$ 7,289	\$ 2,605	\$ 5,443	\$ 1,668	\$ 3,390	\$ 2,733
Other	-	6,847	467	-	-	-	100
TOTAL REVENUES	<u>4,210</u>	<u>14,136</u>	<u>3,072</u>	<u>5,443</u>	<u>1,668</u>	<u>3,390</u>	<u>2,833</u>
EXPENDITURES							
Current:							
General Government	-	-	-	-	-	-	-
Protection	-	-	-	-	-	-	-
Public Works	2,096	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-	-
Human Services	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-
Environment & Housing	-	-	-	-	-	-	-
Culture & Recreation	-	-	2,315	-	-	-	5,546
Capital Outlay	205,517	-	50,929	124,475	7,100	-	-
TOTAL EXPENDITURES	<u>207,613</u>	<u>-</u>	<u>53,244</u>	<u>124,475</u>	<u>7,100</u>	<u>-</u>	<u>5,546</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(203,403)</u>	<u>14,136</u>	<u>(50,172)</u>	<u>(119,032)</u>	<u>(5,432)</u>	<u>3,390</u>	<u>(2,713)</u>
OTHER FINANCING SOURCES (USES)							
Operating Transfers In	205,000	34,750	74,000	25,000	7,500	10,000	5,000
Operating Transfers Out	-	-	(1,921)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>205,000</u>	<u>34,750</u>	<u>72,079</u>	<u>25,000</u>	<u>7,500</u>	<u>10,000</u>	<u>5,000</u>
NET CHANGE IN FUND BALANCE	1,597	48,886	21,907	(94,032)	2,068	13,390	2,287
FUND BALANCE - JULY 1	<u>89,980</u>	<u>151,999</u>	<u>54,227</u>	<u>125,113</u>	<u>35,523</u>	<u>71,340</u>	<u>58,307</u>
FUND BALANCE - JUNE 30	<u>\$ 91,577</u>	<u>\$ 200,885</u>	<u>\$ 76,134</u>	<u>\$ 31,081</u>	<u>\$ 37,591</u>	<u>\$ 84,730</u>	<u>\$ 60,594</u>

## SCHEDULE I (CONTINUED)

## TOWN OF BUCKSPORT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR CAPITAL PROJECT FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2009

	Recreation Facility	Recreation Revenue Reserve	Police Equipment	Public Safety	Town Garage	Cable TV	Dog Kennel
REVENUES							
Interest	\$ 1,522	\$ 3,471	\$ 4,346	\$ 2,108	\$ 3,817	\$ 674	\$ 712
Other	-	-	-	-	-	-	-
TOTAL REVENUES	<u>1,522</u>	<u>3,471</u>	<u>4,346</u>	<u>2,108</u>	<u>3,817</u>	<u>674</u>	<u>712</u>
EXPENDITURES							
Current:							
General Government	-	-	-	-	-	1,295	-
Protection	-	-	1,600	3,776	-	-	-
Public Works	-	-	-	-	3,952	-	-
Health and Sanitation	-	-	-	-	-	-	-
Human Services	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-
Environment & Housing	-	-	-	-	-	-	-
Culture & Recreation	7,258	-	-	-	-	-	-
Capital Outlay	-	-	24,516	-	-	-	-
TOTAL EXPENDITURES	<u>7,258</u>	<u>-</u>	<u>26,116</u>	<u>3,776</u>	<u>3,952</u>	<u>1,295</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(5,736)</u>	<u>3,471</u>	<u>(21,770)</u>	<u>(1,668)</u>	<u>(135)</u>	<u>(621)</u>	<u>712</u>
OTHER FINANCING SOURCES (USES)							
Operating Transfers In	26,750	5,737	15,000	15,000	20,000	2,000	-
Operating Transfers Out	-	-	(365)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>26,750</u>	<u>5,737</u>	<u>14,635</u>	<u>15,000</u>	<u>20,000</u>	<u>2,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	21,014	9,208	(7,135)	13,332	19,865	1,379	712
FUND BALANCE - JULY 1	<u>30,779</u>	<u>73,998</u>	<u>78,250</u>	<u>43,665</u>	<u>79,897</u>	<u>14,304</u>	<u>15,177</u>
FUND BALANCE - JUNE 30	<u>\$ 51,793</u>	<u>\$ 83,206</u>	<u>\$ 71,115</u>	<u>\$ 56,997</u>	<u>\$ 99,762</u>	<u>\$ 15,683</u>	<u>\$ 15,889</u>

## TOWN OF BUCKSPORT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR CAPITAL PROJECT FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2009

	Willow & Wasson House	Defense Fund	High School Energy	Drug Forfeiture	Town Office Equipment	Dispatch Equipment	Transfer Station
REVENUES							
Interest	\$ 55	\$ 178	\$ -	\$ 41	\$ 1,345	\$ 3,199	\$ 1,897
Other	-	-	-	-	-	-	-
TOTAL REVENUES	<u>55</u>	<u>178</u>	<u>-</u>	<u>41</u>	<u>1,345</u>	<u>3,199</u>	<u>1,897</u>
EXPENDITURES							
Current:							
General Government	-	-	-	-	1,904	-	-
Protection	-	-	-	-	-	2,425	-
Public Works	-	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-	-
Human Services	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-
Environment & Housing	-	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	5,041	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,945</u>	<u>2,425</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>55</u>	<u>178</u>	<u>-</u>	<u>41</u>	<u>(5,600)</u>	<u>774</u>	<u>1,897</u>
OTHER FINANCING SOURCES (USES)							
Operating Transfers In	-	-	-	-	7,000	2,500	5,000
Operating Transfers Out	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,000</u>	<u>2,500</u>	<u>5,000</u>
NET CHANGE IN FUND BALANCE	55	178	-	41	1,400	3,274	6,897
FUND BALANCE - JULY 1	<u>1,183</u>	<u>3,805</u>	<u>-</u>	<u>860</u>	<u>31,907</u>	<u>68,183</u>	<u>39,992</u>
FUND BALANCE - JUNE 30	<u>\$ 1,238</u>	<u>\$ 3,983</u>	<u>\$ -</u>	<u>\$ 901</u>	<u>\$ 33,307</u>	<u>\$ 71,457</u>	<u>\$ 46,889</u>

## SCHEDULE I (CONTINUED)

## TOWN OF BUCKSPORT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR CAPITAL PROJECT FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2009

	Silver Lake Property	Parking Lots	Swimming Pool	Chamber Building	Middle School Capital	Housing Rehab.	Jewett School
REVENUES							
Interest	\$ 528	\$ 850	\$ 1,634	\$ 228	\$ -	\$ 49	\$ 978
Other	-	-	-	-	-	-	-
TOTAL REVENUES	<u>528</u>	<u>850</u>	<u>1,634</u>	<u>228</u>	<u>-</u>	<u>49</u>	<u>978</u>
EXPENDITURES							
Current:							
General Government	-	-	-	-	-	-	-
Protection	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-	-
Human Services	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-
Environment & Housing	-	-	-	-	-	-	-
Culture & Recreation	-	-	4,532	-	-	-	551
Capital Outlay	-	11,072	-	-	-	-	19,526
TOTAL EXPENDITURES	<u>-</u>	<u>11,072</u>	<u>4,532</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,077</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>528</u>	<u>(10,222)</u>	<u>(2,898)</u>	<u>228</u>	<u>-</u>	<u>49</u>	<u>(19,099)</u>
OTHER FINANCING SOURCES (USES)							
Operating Transfers In	3,000	5,000	5,000	-	-	-	6,000
Operating Transfers Out	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>3,000</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,000</u>
NET CHANGE IN FUND BALANCE	3,528	(5,222)	2,102	228	-	49	(13,099)
FUND BALANCE - JULY 1	<u>10,987</u>	<u>18,680</u>	<u>34,794</u>	<u>4,868</u>	<u>-</u>	<u>1,044</u>	<u>22,124</u>
FUND BALANCE - JUNE 30	<u>\$ 14,515</u>	<u>\$ 13,458</u>	<u>\$ 36,896</u>	<u>\$ 5,096</u>	<u>\$ -</u>	<u>\$ 1,093</u>	<u>\$ 9,025</u>

## SCHEDULE I (CONTINUED)

## TOWN OF BUCKSPORT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR CAPITAL PROJECT FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2009

	Gardiner School	Highway Improvement	Industrial Park Land Purchase	Miles Ln Bathroom and Concession	High School Building Project	Totals
REVENUES						
Interest	\$ 25	\$ 6,927	\$ 276	\$ 1,765	\$ -	\$ 63,963
Other	-	-	-	-	10,640	18,054
TOTAL REVENUES	<u>25</u>	<u>6,927</u>	<u>276</u>	<u>1,765</u>	<u>10,640</u>	<u>82,017</u>
EXPENDITURES						
Current:						
General Government	-	-	-	-	-	3,199
Protection	-	-	-	-	-	7,801
Public Works	-	65,144	-	-	-	71,192
Health and Sanitation	-	-	-	-	-	-
Human Services	-	-	-	-	-	-
Education	-	-	-	-	-	-
Environment & Housing	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	20,202
Capital Outlay	-	436,203	-	121,892	993,879	2,000,150
TOTAL EXPENDITURES	<u>-</u>	<u>501,347</u>	<u>-</u>	<u>121,892</u>	<u>993,879</u>	<u>2,102,544</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>25</u>	<u>(494,420)</u>	<u>276</u>	<u>(120,127)</u>	<u>(983,239)</u>	<u>(2,020,527)</u>
OTHER FINANCING SOURCES (USES)						
Operating Transfers In	-	413,530	-	101,000	-	993,767
Operating Transfers Out	-	-	-	-	-	(2,286)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>413,530</u>	<u>-</u>	<u>101,000</u>	<u>-</u>	<u>991,481</u>
NET CHANGE IN FUND BALANCE	25	(80,890)	276	(19,127)	(983,239)	(1,029,046)
FUND BALANCE - JULY 1	<u>534</u>	<u>157,135</u>	<u>5,887</u>	<u>39,511</u>	<u>1,380,422</u>	<u>2,744,475</u>
FUND BALANCE - JUNE 30	<u>\$ 559</u>	<u>\$ 76,245</u>	<u>\$ 6,163</u>	<u>\$ 20,384</u>	<u>\$ 397,183</u>	<u>\$ 1,715,429</u>

See accompanying independent auditors' report.

### Permanent Funds

Permanent funds are used to account for assets held by the Town of Bucksport, Maine in trust or as an agent for individuals, private organizations, other governmental units and/or other funds.

## TOWN OF BUCKSPORT, MAINE

COMBINING BALANCE SHEET – NONMAJOR PERMANENT FUNDS  
JUNE 30, 2009

	Cemetery Trusts	Spofford Indigent Fund	Gardiner High School Fund	Spofford Grammar School Fund	Ministerial Fund	G. Weirich Scholarship Fund	Totals
ASSETS							
Investments	\$ 29,027	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,027
Due from other funds	32,470	70,956	10,002	4,133	6,386	4,880	128,827
Total assets	<u>\$ 61,497</u>	<u>\$ 70,956</u>	<u>\$ 10,002</u>	<u>\$ 4,133</u>	<u>\$ 6,386</u>	<u>\$ 4,880</u>	<u>\$ 157,854</u>
LIABILITIES							
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND EQUITY							
Fund balance:							
Reserved for endowments	21,097	39,826	3,470	2,000	2,300	2,506	71,199
Unreserved:							
Designated for subsequent years' expenditures	40,400	31,130	6,532	2,133	4,086	2,374	86,655
Total fund equity	<u>61,497</u>	<u>70,956</u>	<u>10,002</u>	<u>4,133</u>	<u>6,386</u>	<u>4,880</u>	<u>157,854</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 61,497</u>	<u>\$ 70,956</u>	<u>\$ 10,002</u>	<u>\$ 4,133</u>	<u>\$ 6,386</u>	<u>\$ 4,880</u>	<u>\$ 157,854</u>

See accompanying independent auditors' report.

## TOWN OF BUCKSPORT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR PERMANENT FUNDS  
FOR THE YEAR ENDED JUNE 30, 2009

	Cemetery Trusts	Spofford Indigent Fund	Gardiner High School Fund	Spofford Grammar School Fund	Ministerial Fund	G. Weirich Scholarship Fund	Totals
REVENUES							
Interest	\$ 3,532	\$ 3,363	\$ 448	\$ 185	\$ 286	\$ 219	\$ 8,033
Other	-	-	-	-	-	-	-
TOTAL REVENUES	<u>3,532</u>	<u>3,363</u>	<u>448</u>	<u>185</u>	<u>286</u>	<u>219</u>	<u>8,033</u>
EXPENSES							
Other	15,783	-	-	-	-	-	15,783
TOTAL EXPENSES	<u>15,783</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,783</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(12,251)</u>	<u>3,363</u>	<u>448</u>	<u>185</u>	<u>286</u>	<u>219</u>	<u>(7,750)</u>
OTHER FINANCING SOURCES (USES)							
Operating Transfers In	-	-	-	-	-	-	-
Operating Transfers Out	-	(4,500)	-	-	-	-	(4,500)
TOTAL OTHER FINANCING (USES)	<u>-</u>	<u>(4,500)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,500)</u>
NET CHANGE IN FUND BALANCES	(12,251)	(1,137)	448	185	286	219	(12,250)
FUND BALANCES - JULY 1	<u>73,748</u>	<u>72,093</u>	<u>9,554</u>	<u>3,948</u>	<u>6,100</u>	<u>4,661</u>	<u>170,104</u>
FUND BALANCES - JUNE 30	<u>\$ 61,497</u>	<u>\$ 70,956</u>	<u>\$ 10,002</u>	<u>\$ 4,133</u>	<u>\$ 6,386</u>	<u>\$ 4,880</u>	<u>\$ 157,854</u>

See accompanying independent auditors' report.

## General Capital Assets

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

## TOWN OF BUCKSPORT, MAINE

SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION  
JUNE 30, 2009

	Land and Non-depreciable Assets	Buildings, Building Improvements & Land Improvements	Furniture, Fixtures, Equipment & Vehicles	Infrastructure	Total
General government	\$ 43,800	\$ 386,000	\$ 84,284	\$ -	\$ 514,084
Protection	22,000	1,934,533	1,534,165	-	3,490,698
Public works	2,902	1,115,851	1,316,477	7,164,680	9,599,910
Health and sanitation	14,000	275,260	164,576	-	453,836
Education	53,873	38,970,694	3,601,079	114,140	42,739,786
Recreation	148,692	494,246	102,654	1,141,570	1,887,162
Town-wide	1,807,982	1,278,677	-	945,498	4,032,157
Sewer fund	593,050	4,900,741	282,353	5,626,045	11,402,189
Total General Capital Assets	2,686,299	49,356,002	7,085,588	14,991,933	74,119,822
Less: Accumulated Depreciation	-	(21,868,309)	(5,129,017)	(8,077,052)	(35,074,378)
Net General Capital Assets	\$ 2,686,299	\$ 27,487,693	\$ 1,956,571	\$ 6,914,881	\$ 39,045,444

See accompanying independent auditors' report.

## TOWN OF BUCKSPORT, MAINE

SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS BY FUNCTION  
FOR THE YEAR ENDED JUNE 30, 2009

	General Capital Assets 7/1/08	Additions	Deletions	General Capital Assets 6/30/09
General government	\$ 490,393	\$ 23,691	\$ -	\$ 514,084
Protection	3,366,946	216,640	(92,888)	3,490,698
Public works	8,958,191	737,636	(95,917)	9,599,910
Health and sanitation	453,836	-	-	453,836
Education	41,707,508	1,151,856	(119,578)	42,739,786
Recreation	1,765,270	121,892	-	1,887,162
Town-wide	3,633,078	399,079	-	4,032,157
Sewer fund	11,164,354	3,116,128	(2,878,293)	11,402,189
Total General Capital Assets	71,539,576	5,766,922	(3,186,676)	74,119,822
Less: Accumulated Depreciation	<u>(33,372,539)</u>	<u>(1,794,727)</u>	<u>92,888</u>	<u>(35,074,378)</u>
Net General Capital Assets	<u>\$ 38,167,037</u>	<u>\$ 3,972,195</u>	<u>\$ (3,093,788)</u>	<u>\$ 39,045,444</u>

See accompanying independent auditors' report.

TOWN OF BUCKSPORT, MAINE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2009

Federal Grantor Pass Through Grantor Program Title	Federal CFDA Number	Pass Through Number	Federal Expenditures
U.S. Department of Agriculture			
Passed Through the State of Maine -			
Rural Economic and Community Development			
Water and Waste Disposal Systems for Rural			
Rural Communities	10.418	Loan	\$ 86,885
Water and Waste Disposal Systems for Rural			
Rural Communities	10.418	N/A	193,662
Department of Education and Cultural Services			
Food Distribution	10.550	N/A	19,200
School Breakfast Program	10.553	013-05A-7127-05	31,228
School Lunch Program	10.555	013-05A-8121-05	148,933
Department of Health and Human Services			
Food Stamp Program	10.561	N/A	2,359
Total U.S. Department of Agriculture			<u>482,267</u>
U.S. Department of Housing and Urban Development			
Passed Through the State of Maine - Department			
of Economic and Community Development			
Small Cities Community Block Grant - Public			
Infrastructure	14.228	G806451	52,858
Small Cities Community Block Grant - Community			
Enterprise	14.228		106,473
Small Cities Community Block Grant - Housing			
Assistance Grant	14.228	G705429	1,000
Small Cities Community Block Grant - Technical			
Assistance Grant	14.228	G1006346	24,901
Total U.S. Department of Housing and Urban Development			<u>185,232</u>
U.S. Department of Transportation			
Passed Through the State of Maine - Department			
of Transportation			
Small Harbor Improvement Program	20.802	U089070153	3,642
Total U.S. Department of Transportation			<u>3,642</u>

TOWN OF BUCKSPORT, MAINE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2009

Federal Grantor Pass Through Grantor Program Title	Federal CFDA Number	Pass Through Number	Federal Expenditures
U.S. Department of Education			
Passed Through the State of Maine -			
Department of Education and Cultural Services			
Title IA - Educationally Deprived	84.010	013-05A-6334-13	263,146
Handicapped Programs - Local			
Entitlement	84.027	013-05A-6317-12	227,863
Local Entitlement Part B - Section 619	84.173	013-05A-6241-23	6,513
Title IID Grant - Ed. Tech. Grant	84.318	013-05A-1006-07	22,992
Title V	84.298	013-05A-1072-66	-
Rural Low Income	84.358	013-05A-1078-03	21,689
Title IIA - Teacher Quality Grant	84.367	013-05A-1138-11	85,857
GPA Stabilization	84-394	013-05A-2077-01	-
			<u>628,060</u>
Passed Through the State of Maine - Department			
of Mental Health, Mental Retardation,			
and Substance Abuse Services:			
Drug Free Schools Act	84.186	013-075-6346-57	-
Total U.S. Department of Education			<u>628,060</u>
U.S. Department of Health and Human Services			
Passed Through the State of Maine - Department			
of Health and Human Services			
SAMSHA - Strategic Prevention Framework-			
State Incentive Grant	93.243	CDC-08-372	17,815
SAMSHA - Strategic Prevention Framework-			
State Incentive Grant	93.243	SA3-09-139	4,000
	93.243		<u>21,815</u>
Centers for Disease Control and Prevention -			
Investigations and Technical Assistance	93.283	CDC-08-372	40
Centers for Disease Control and Prevention -			
Investigations and Technical Assistance	93.283	CDC-08-372A	818
	93.283		<u>858</u>
Block Grants for Prevention and Treatment of			
Substance Abuse	93.959	SA3-08-302	24,128
Block Grants for Prevention and Treatment of			
Substance Abuse	93.959	SA3-09-139	3,113
	93.959		<u>27,241</u>
Total U.S. Department of Health and Human Services			<u>49,914</u>

TOWN OF BUCKSPORT, MAINE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2009

Federal Grantor Pass Through Grantor Program Title	Federal CFDA Number	Pass Through Number	Federal Expenditures
U.S. Department of Homeland Security			
Passed Through Maine Emergency Management Agency in the Department of Defense, Veterans and Emergency Management Public Safety Interoperable Communications Program	11.555	N/A	17,736
Assistance to Firefighters Grant	97.044	N/A	70,395
Total U.S. Department of Homeland Security			88,131
TOTAL FEDERAL ASSISTANCE			\$ 1,437,246

## TOWN OF BUCKSPORT, MAINE

### NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2009

#### 1. General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards of the Town of Bucksport, Maine. All federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included on the schedule.

#### 2. Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting.

#### 3. Major Programs - Federal

The following programs were considered major programs as defined by OMB Circular A-133 and also Type B programs as defined by Circular A-133.

Program	CFDA #
Title IA – Educationally Deprived	84.010
Handicapped Programs – Local Entitlement	84.027



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

August 6, 2009

Town Council  
Town of Bucksport  
Bucksport, Maine

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Bucksport, Maine, as of and for the year ended June 30, 2009, which collectively comprise the Town of Bucksport, Maine's basic financial statements and have issued our report thereon dated August 6, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Town of Bucksport, Maine's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Bucksport, Maine's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town of Bucksport, Maine's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Town of Bucksport, Maine's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Town of Bucksport, Maine's financial statements that is more than inconsequential will not be prevented or detected by the Town of Bucksport, Maine's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Town of Bucksport, Maine's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Bucksport, Maine's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended for the information and use of management, the Town Council, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than the specified parties.

*RHR Smith & Company*

Certified Public Accountants



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

August 6, 2009

Town Council  
Town of Bucksport  
Bucksport, Maine

Compliance

We have audited the compliance of the Town of Bucksport, Maine, with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2009. The Town of Bucksport, Maine's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Town of Bucksport, Maine's management. Our responsibility is to express an opinion on the Town of Bucksport, Maine's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about The Town of Bucksport, Maine's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Town of Bucksport, Maine's compliance with those requirements.

In our opinion, the Town of Bucksport, Maine complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

## Internal Control Over Compliance

The management of the Town of Bucksport, Maine is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Town of Bucksport, Maine's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town of Bucksport, Maine's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the Town Council, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than the specified parties.

*RHR Smith & Company*

Certified Public Accountants

TOWN OF BUCKSPORT, MAINE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS –  
SUMMARY OF AUDITORS' RESULTS  
FOR THE YEAR ENDED JUNE 30, 2009

**Summary of Auditors' Results:**

- 1) We have issued an unqualified report dated August 6, 2009 on the financial statements of the Town which can be found on pages 1 - 2.
- 2) Our statement of significant deficiencies and material weaknesses can be found on pages 95 - 96 as they pertain to the audit of the financial statements for the Town. Our audit disclosed no significant deficiencies or material weaknesses in regards to the federal programs tested for June 30, 2009.
- 3) Our statement of non-compliance can be found on pages 95 - 96 as they pertain to the audit of the financial statements for the Town. Our audit disclosed no instances of non-compliance in regards to the federal programs tested for June 30, 2009.
- 4) Our statement of significant deficiencies and material weaknesses over major programs can be found on pages 97 - 98 as they pertain to the audit of the financial statements for the Town. Our audit disclosed no significant deficiencies or material weaknesses in regards to the major federal programs tested for June 30, 2009.
- 5) We have issued an unqualified report dated August 6, 2009 on compliance for major programs of the Town which can be found on pages 97 - 98.
- 6) Our statements disclosed no audit findings.
- 7) The following major programs were audited as of June 30, 2009:

Title IA – Educationally Deprived	CFDA # 84.010
Handicapped Programs – Local Entitlement	CFDA # 84.027
- 8) The dollar threshold used to determine Type A and Type B programs as defined by OMB Circular A-133 is \$300,000.
- 9) The auditee has qualified as low risk as defined by OMB Circular A-133.
- 10) There were no findings related to the financial statements of the Town in accordance with GAGAS.
- 11) There were no findings or questioned costs for Federal Awards of the Town for the year ended June 30, 2009.



## INDEPENDENT AUDITORS' REPORT ON SCHEDULE OF AGREEMENT OPERATIONS

August 6, 2009

Town Council  
Town of Bucksport  
Bucksport, Maine

We have audited the special-purpose Schedule of Agreement Operations of the Town of Bucksport, Maine as of June 30, 2009. This report is the responsibility of the Town's management. Our responsibility is to express an opinion on this special-purpose report based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards* and the *Maine Uniform Accounting and Auditing Practices Act for Community Agencies*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Schedule of Agreement Operations is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Schedule of Agreement Operations. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Schedule of Agreement Operations. We believe that our audit provides a reasonable basis for our opinion.

The accompanying special-purpose Schedule of Agreement Operations was prepared for the purpose of complying with the *Maine Uniform Accounting and Auditing Practices for Community Agencies*. The schedule is a presentation of grant revenues, expenditures, and balances of the Town of Bucksport, Maine's agreements with the Department, which is a comprehensive basis of accounting other than generally accepted accounting principles, and it is not intended to be a complete presentation of the Town's revenues and expenses.

In our opinion, the special-purpose report referred to above presents fairly, in all material respects, the revenues, expenditures, and balances of the Town of Bucksport, Maine's agreements with the Department as of June 30, 2009, in accordance with the *Maine Uniform Accounting and Auditing Practices for Community Agencies*.

*Proven Expertise and Integrity*

This report is intended solely for the information and use of the Town Council and management of the Town of Bucksport, Maine and the Department and should not be used for any other purpose.

*RHR Smith & Company*

Certified Public Accountants

SCHEDULE A

TOWN OF BUCKSPORT, MAINE

SCHEDULE OF AGREEMENT OPERATIONS  
DEPARTMENT OF HUMAN SERVICES PROGRAMS  
FOR THE YEAR ENDED JUNE 30, 2009

Agreement Number:	SA3-08-302 (2)	CDC/HMP CDC-08-372 (2)	OSA CDC-08-372 (2)	CDC-08-372A (2)	SA3-09-139 (2)	SA3-09-139 (2)
Agreement Total:	\$57,355	\$54,611	\$31,145	\$3,095	\$5,084	\$10,000
Agreement Term:	1/1/07-12/31/08	9/1/07-6/30/09	9/1/07-6/30/09	9/1/07-8/31/08	1/1/09-9/30/09	1/1/09-9/30/09
Basis of Settlement:	Cost	Cost	Cost	Cost	Cost	Cost
Status:	Final	Final	Final	Final	Interim	Interim
<hr/>						
REVENUES						
Grants and contracts - Federal	\$ 19,115	\$ 2,161	\$ 18,404	\$ -	\$ 3,389	\$ 6,667
- State	-	27,626	-	-	-	-
Miscellaneous	-	2,194	1,391	-	-	-
Total revenues	<u>19,115</u>	<u>31,981</u>	<u>19,795</u>	<u>-</u>	<u>3,389</u>	<u>6,667</u>
EXPENDITURES	<u>24,128</u>	<u>30,597</u>	<u>17,815</u>	<u>818</u>	<u>4,000</u>	<u>3,113</u>
NET ACTIVITIES	(5,013)	1,384	1,980	(818)	(611)	3,554
BEGINNING BALANCE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
ENDING BALANCE	<u>\$ (5,013)</u>	<u>\$ 1,384</u>	<u>\$ 1,980</u>	<u>\$ (818)</u>	<u>\$ (611)</u>	<u>\$ 3,554</u>

See accompanying independent auditors' report on Schedule of Agreement Operations.

TOWN OF BUCKSPORT, MAINE

NOTES TO SCHEDULE OF AGREEMENT OPERATIONS  
DEPARTMENT OF HUMAN SERVICES PROGRAMS  
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 1 - MAJOR PROGRAM:

This program was considered a major program for auditing purposes.

NOTE 2 – NON-MAJOR PROGRAM:

This program was considered a non-major program for auditing purposes.



## INDEPENDENT AUDITORS' REPORT ON THE INTERNAL CONTROL STRUCTURE USED IN ADMINISTERING DEPARTMENT PROGRAMS

August 6, 2009

Town Council  
Town of Bucksport  
Bucksport, Maine

We have audited the financial statements of the Town of Bucksport, Maine as of and for the year ended June 30, 2009, and have issued our report thereon dated August 6, 2009. We have also audited the compliance of the Town of Bucksport, Maine with the requirements applicable to Department agreements and have issued our report thereon dated August 6, 2009.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the *Maine Uniform Accounting and Auditing Practices for Community Agencies* (1996 Revision). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and about whether the Town of Bucksport, Maine complied with laws and regulations, noncompliance with which would be material to a Department award program.

In planning and performing our audits for the year ended June 30, 2009, we considered the internal control structure of the Town of Bucksport, Maine, in order to determine our auditing procedures for the purpose of expressing our opinion on the Town of Bucksport, Maine's financial statements and on its compliance with requirements applicable to Department agreements and to report on the internal control structure policies and procedures in accordance with the *Maine Uniform Accounting and Auditing Practices for Community Agencies* (1996 Revision). This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to Department agreements.

The management of The Town of Bucksport, Maine is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that Department agreements are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For purposes of this report, we have classified the significant internal control structure policies and procedures used in administering Department agreements in the following categories:

<u>Accounting Controls</u>	<u>General Requirements</u>	<u>Specific Requirements</u>
Cash	Political Activity	Type of services allowed or not allowed
Support, program service fees, revenue and receivables	Civil Rights	Eligibility
Expenses for goods and services and accounts payable	Cash Management	Matching, level of effort, and earmarking
Payroll and related liabilities	Federal financial reports	Special reporting requirements
Property and equipment	Allowable costs/cost principles	Special tests and provisions
Debt and other liabilities	Drug-Free Workplace Act	Claims for advances and reimbursement
Net Assets	Administrative requirements	Amounts claimed or used for matching
Governmental financial assistance programs		

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed control risk.

During the year ended June 30, 2009, the Town of Bucksport, Maine expended 100% of its total Department awards under non-major Department agreements.

We performed tests of controls, as required by the *Maine Uniform Accounting and Auditing Practices for Community Agencies* (1996 Revision), to evaluate the effectiveness of the design and operation of internal control structure policies and

procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to Department agreements which are identified in the accompanying Schedule of Agreement Operations. Our procedures were substantially less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a Department agreement may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure policies and procedures used in administering Department agreements would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we noted no matters involving the internal control structure or its operation that we believe to be material weaknesses as defined above.

This report is intended solely for the information and use of the Town Council and management of the Town of Bucksport, Maine and the Department and should not be used for any other purpose.

*RHR Smith & Company*

Certified Public Accountants



## INDEPENDENT AUDITORS' COMBINED REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO DEPARTMENT AGREEMENTS

August 6, 2009

Town Council  
Town of Bucksport  
Bucksport, Maine

We have audited the financial statements of the Town of Bucksport, Maine as of and for the year ended June 30, 2009, and have issued our report thereon dated August 6, 2009.

We have also audited the Town of Bucksport, Maine's compliance with the specific requirements identified in the Contract Compliance Riders of the Town's agreements with the State of Maine that are applicable to each of its major Department agreements, which are identified in the accompanying Schedule of Agreement Operations, for the year ended June 30, 2009. The management of the Town of Bucksport, Maine is responsible for the Town's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the Maine Uniform Accounting and Auditing Practices for Community Agencies (1996 Revision). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the Town of Bucksport, Maine's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the Town of Bucksport, Maine complied, in all material respects, with the specific requirements referred to in the second paragraph that are applicable to each of its major Department agreements, for the year ended June 30, 2009.

This report is intended solely for the information and use of the Town Council and management of the Town of Bucksport, Maine and the Department and should not be used for any other purpose.

*RHR Smith & Company*

Certified Public Accountants

3 Old Orchard Road  
Buxton, Maine 04093  
(800) 300-7708  
Tel: (207) 929-4606  
Fax: (207) 929-4609

www.rhrsmith.com



192 Main Street, Suite 4  
P.O. Box 463  
Machias, Maine 04654  
(800) 300-7708  
Tel: (207) 255-3700  
Fax: (207) 255-3750

www.rhrsmith.com

## ACCOUNTANTS' COMPILATION REPORT ON AGREEMENT SETTLEMENT FORMS

August 6, 2009

Town Council  
Town of Bucksport  
Bucksport, Maine

We have compiled the accompanying Agreement Settlement Forms of the Town of Bucksport, Maine as of June 30, 2009 and for the year then ended, in accordance with Statements for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

*RHR Smith & Company*

Certified Public Accountants

*Proven Expertise and Integrity*

# AGREEMENT SETTLEMENT FORM

Fiscal Year End: 6/30/09  
 Funding Department: DHHS  
 Agreement Number: SA3-08-302  
 Agreement Period: 1/1/07-12/31/08  
 Agreement Amount: \$57,355

	<u>Revenue</u>	<u>Expense</u>	<u>Balance</u>
<u>Agreement Totals:</u>			
1. Prior Year Stub Period	\$ 38,240	\$ 30,982	\$ 7,258
2. Current Year Stub Period	19,115	24,128	(5,013)
3. Adjustments	-	-	-
4. Per Financial Statements - SAO's	<u>57,355</u>	<u>55,110</u>	<u>2,245</u>

## Agreement Adjustments:

5.	-	-	-
6.	-	-	-
7.	-	-	-
8. Total Adjustments	-	-	-
9. Total Available for Cost Sharing	<u>\$ 57,355</u>	<u>\$ 55,110</u>	<u>\$ 2,245</u>

## Agreement Cost Sharing:

<u>Funding Source</u>	<u>Budget</u>	<u>Actual</u>	<u>Available Revenue</u>	<u>Allocated Expense</u>	<u>Balance</u>
10. SA3-08-302	\$ 57,355	100.00%	\$ 57,355	\$ 55,110	\$ 2,245
11. All Other	-	0.00%	-	-	-
Totals	<u>\$ 57,355</u>	<u>100.00%</u>	<u>\$ 57,355</u>	<u>\$ 55,110</u>	<u>\$ 2,245</u>

# AGREEMENT SETTLEMENT FORM

Fiscal Year End: 6/30/09  
 Funding Department: DHHS  
 Agreement Number: CDC-08-372  
 Agreement Period: 9/1/07-6/30/09  
 Agreement Amount: \$54,611

	<u>Revenue</u>	<u>Expense</u>	<u>Balance</u>
<u>Agreement Totals:</u>			
1. Prior Year Stub Period	\$ 24,824	\$ 25,765	\$ (941)
2. Current Year Stub Period	31,981	30,597	1,384
3. Adjustments	-	-	-
4. Per Financial Statements - SAO's	<u>56,805</u>	<u>56,362</u>	<u>443</u>

## Agreement Adjustments:

5.	-	-	-
6.	-	-	-
7.	-	-	-
8. Total Adjustments	-	-	-
9. Total Available for Cost Sharing	<u>\$ 56,805</u>	<u>\$ 56,362</u>	<u>\$ 443</u>

## Agreement Cost Sharing:

<u>Funding Source</u>	<u>Budget</u>	<u>Actual</u>	<u>Available Revenue</u>	<u>Allocated Expense</u>	<u>Balance</u>
10. CDC-08-372	\$ 54,611	96.14%	\$ 54,611	\$ 54,185	\$ 426
11. All Other	-	3.86%	2,194	2,177	17
Totals	<u>\$ 54,611</u>	<u>100.00%</u>	<u>\$ 56,805</u>	<u>\$ 56,362</u>	<u>\$ 443</u>

# AGREEMENT SETTLEMENT FORM

Fiscal Year End: 6/30/09  
 Funding Department: DHHS  
 Agreement Number: CDC-08-372  
 Agreement Period: 9/1/07-6/30/09  
 Agreement Amount: \$31,145

	<u>Revenue</u>	<u>Expense</u>	<u>Balance</u>
<u>Agreement Totals:</u>			
1. Prior Year Stub Period	\$ 12,741	\$ 14,721	\$ (1,980)
2. Current Year Stub Period	19,795	17,815	1,980
3. Adjustments	-	-	-
4. Per Financial Statements - SAO's	<u>32,536</u>	<u>32,536</u>	<u>-</u>

## Agreement Adjustments:

5.	-	-	-
6.	-	-	-
7.	-	-	-
8. Total Adjustments	-	-	-
9. Total Available for Cost Sharing	<u>\$ 32,536</u>	<u>\$ 32,536</u>	<u>\$ -</u>

## Agreement Cost Sharing:

<u>Funding Source</u>	<u>Budget</u>	<u>Actual</u>	<u>Available Revenue</u>	<u>Allocated Expense</u>	<u>Balance</u>
10. CDC-08-372	\$ 31,145	95.72%	\$ 31,145	\$ 31,145	\$ -
11. All Other	-	4.28%	1,391	1,391	-
Totals	<u>\$ 31,145</u>	<u>100.00%</u>	<u>\$ 32,536</u>	<u>\$ 32,536</u>	<u>\$ -</u>

# AGREEMENT SETTLEMENT FORM

Fiscal Year End: 6/30/09  
 Funding Department: DHHS  
 Agreement Number: CDC-08-372A  
 Agreement Period: 9/1/07-8/31/08  
 Agreement Amount: \$3,095

	<u>Revenue</u>	<u>Expense</u>	<u>Balance</u>
<u>Agreement Totals:</u>			
1. Prior Year Stub Period	\$ 3,095	\$ -	\$ 3,095
2. Current Year Stub Period	-	818	(818)
3. Adjustments	-	-	-
4. Per Financial Statements - SAO's	<u>3,095</u>	<u>818</u>	<u>2,277</u>

## Agreement Adjustments:

5.	-	-	-
6.	-	-	-
7.	-	-	-
8. Total Adjustments	-	-	-
9. Total Available for Cost Sharing	<u>\$ 3,095</u>	<u>\$ 818</u>	<u>\$ 2,277</u>

## Agreement Cost Sharing:

<u>Funding Source</u>	<u>Budget</u>	<u>Actual</u>	<u>Available Revenue</u>	<u>Allocated Expense</u>	<u>Balance</u>
10. CDC-08-372A	\$ 3,095	100.00%	\$ 3,095	\$ 818	\$ 2,277
11. All Other	-	0.00%	-	-	-
Totals	<u>\$ 3,095</u>	<u>100.00%</u>	<u>\$ 3,095</u>	<u>\$ 818</u>	<u>\$ 2,277</u>



## INDEPENDENT AUDITORS' REPORT ON STATE REQUIREMENTS

August 6, 2009

Town Council  
Town of Bucksport  
Bucksport, Maine

We have audited the financial statements of the Town of Bucksport, Maine for the year ended June 30, 2009 and have issued our report thereon dated August 6, 2009. Our audit was made in accordance with auditing standards generally accepted in the United States of America and applicable state and federal laws relating to financial and compliance audits and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In connection with our audit, we reviewed the budgetary controls that are in place, and have reviewed the annual financial report that was submitted to the Department for accuracy. In addition we have reviewed quarterly EF-U-415 reports for the year ended June 30, 2009 and the Town's compliance with applicable provisions of the Maine Finance Act as noted under MRSA Title 20A, section 6051 as we considered necessary in obtaining our understanding.

The results of our procedures indicate that with respect to the items tested, the Town of Bucksport, Maine, complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the Town of Bucksport, Maine was in noncompliance with, or in violation of, those provisions.

Management has determined that adjustments were necessary to the fiscal books of the Town and have attached the following schedule as it relates to the reconciliation of audit adjustments to the initial annual financial data submitted to the MEDMS financial system maintained at the Town.

This report is intended solely for the information of the Town Council, management and the Department of Education. This report is not intended to be and should not be used by anyone other than the specified parties.

*RHR Smith & Company*

Certified Public Accountants

*Proven Expertise and Integrity*

TOWN OF BUCKSPORT, MAINE

RECONCILIATION OF AUDIT ADJUSTMENTS TO ANNUAL FINANCIAL DATA  
SUBMITTED TO THE MEDMS FINANCIAL SYSTEM  
FOR THE YEAR ENDED JUNE 30, 2009

	General Fund (100)	Special Revenue Funds (200)	Capital Projects Fund (300)	Totals
June 30 Balance per MEDMS financial System	\$ 1,063,136	\$ 381,836	\$ 397,183	\$ 1,842,155

**Revenue Adjustments:**

**Expenditure Adjustments:**

Audited GAAP Basis Fund balance June 30	<u>\$ 1,063,136</u>	<u>\$ 381,836</u>	<u>\$ 397,183</u>	<u>\$ 1,842,155</u>
---	---------------------	-------------------	-------------------	---------------------