

2011

# Audited Financial Statements Town of Rumford Maine 2011

Rumford, Me.

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Audited Financial Statements and  
Other Supplemental Information

Town of Rumford, Maine

June 30, 2011



*Proven Expertise and Integrity*

TOWN OF RUMFORD, MAINE

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JUNE 30, 2011

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## INDEPENDENT AUDITORS' REPORT

August 26, 2011

Board of Selectmen  
Town of Rumford  
Rumford, Maine

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Town of Rumford, Maine, as of and for the year ended June 30, 2011, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town of Rumford's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Town of Rumford, Maine as of June 30, 2011, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 10 and 40 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the

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United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

*RHR Smith & Company*

Certified Public Accountants

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

**(UNAUDITED)**

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

**Financial Statement Overview**

The Town of Rumford'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 Rumford 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, public safety, public works, health and sanitation, welfare, public services, social services, education, 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 Rumford 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 Rumford, 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 Rumford can be divided into two categories: governmental funds and proprietary 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 Rumford presents only three 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 funds are the general fund and the sewer extension 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. 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 Rumford maintains one proprietary fund, the sewer fund. 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.

### **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 Statement of Cash Flows – Proprietary Funds.

### **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 decreased by \$277,761 from \$15.96 million to \$15.68 million. This decrease is the result of depreciation expense. For the business-type activities, the Town's total net assets decreased by \$6,659 from \$128,222 to \$121,563.

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 \$412,368 to a balance of \$6,062,952 at the end of the fiscal year. For the business-type activities, the unrestricted net assets decreased by \$6,659 to a balance of \$121,563.

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

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
<b>Assets:</b>				
Current and other assets	\$ 8,685,247	\$ 8,361,750	\$ 293,440	\$ 282,480
Capital Assets	8,224,427	8,988,823	-	-
<b>Total Assets</b>	<b>\$ 16,909,674</b>	<b>\$ 17,350,573</b>	<b>\$ 293,440</b>	<b>\$ 282,480</b>
<b>Liabilities:</b>				
Current Liabilities	\$ 266,023	\$ 246,915	\$ 171,877	\$ 154,258
Long-term Debt Outstanding	961,816	1,144,062	-	-
<b>Total Liabilities</b>	<b>\$ 1,227,839</b>	<b>\$ 1,390,977</b>	<b>\$ 171,877</b>	<b>\$ 154,258</b>
<b>Net Assets:</b>				
Invested in Capital Assets, Net of related Debt	\$ 7,286,112	\$ 7,881,478	\$ -	\$ -
Restricted: General Fund	136,084	287,106	-	-
Special Revenue Funds	417,422	415,469	-	-
Capital Project Funds	1,710,247	1,657,004	-	-
Permanent Funds	69,018	67,955	-	-
Other Net Assets	6,062,952	5,650,584	121,563	128,222
<b>Total Net Assets</b>	<b>\$ 15,681,835</b>	<b>\$ 15,959,596</b>	<b>\$ 121,563</b>	<b>\$ 128,222</b>

## Revenues and Expenses

Revenues for the Town's governmental activities decreased by 8.70%, while total expenses decreased by .64%. These decreases are due to decreased intergovernmental revenues and education expenses. For the business-type activities revenues decreased by 33.52%, while total expenses decreased by .05%.

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
<b>Revenues</b>				
Taxes	\$ 13,970,272	\$ 14,963,358	\$ -	\$ -
Intergovernmental	1,850,479	2,601,909	-	-
Charges for services	873,438	798,136	351,336	530,608
Miscellaneous	375,493	332,006	9,898	12,793
Total Revenues	<u>17,069,682</u>	<u>18,695,409</u>	<u>361,234</u>	<u>543,401</u>
<b>Expenses</b>				
General government	747,072	708,486	-	-
Public safety	2,398,552	2,246,131	-	-
Public works	2,892,720	2,508,202	-	-
Health and sanitation	676,253	671,620	-	-
Welfare	55,788	82,080	-	-
Public services	463,624	515,922	-	-
Social services	186,550	215,410	-	-
Education	5,935,363	6,359,770	-	-
County tax	485,648	482,239	-	-
Tax increment financing agreement	1,909,795	2,099,910	-	-
Debt service	37,003	69,802	-	-
Capital outlay	332,063	281,229	-	-
Sewer fund	-	-	360,893	361,058
Unallocated depreciation	63,181	63,181	-	-
Unclassified	1,170,831	1,162,531	-	-
Total Expenses	<u>17,354,443</u>	<u>17,466,513</u>	<u>360,893</u>	<u>361,058</u>
Change in Net Assets	(284,761)	1,228,896	341	182,343
Transfers	7,000	-	(7,000)	-
Net Assets - July 1	<u>15,959,596</u>	<u>14,730,700</u>	<u>128,222</u>	<u>(54,121)</u>
Net Assets - June 30	<u><u>\$ 15,681,835</u></u>	<u><u>\$ 15,959,596</u></u>	<u><u>\$ 121,563</u></u>	<u><u>\$ 128,222</u></u>

## Financial Analysis of the Town's Fund Statements

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

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

	2011	2010
General Fund:		
Nonspendable	\$ 187,576	\$ 190,699
Restricted	136,084	287,106
Committed	1,150,489	1,185,891
Assigned	1,360,396	324,964
Unassigned	3,348,253	3,955,915
Total General Fund	\$ 6,182,798	\$ 5,944,575
 Sewer Extension Fund:		
Committed	\$ 848,439	\$ 844,837
Total Sewer Extension Fund	\$ 848,439	\$ 844,837
 Nonmajor Funds:		
Restricted	\$ 486,440	\$ 483,424
Committed	861,808	812,167
Total Nonmajor Funds	\$ 1,348,248	\$ 1,295,591

The general fund total fund balance increased by \$238,223 over the prior fiscal year. The sewer extension fund increased by \$3,602. The non-major fund balances increased by \$52,657 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.

*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 \$6,659. Last year, the sewer department had an excess of \$182,343.

## Budgetary Highlights

The significant differences between the original and final budget for the general fund were the inclusion of applied revenues and the use of designated fund balances.

The general fund actual revenues were more than budget by \$690,401. This was a result of most revenue categories being significantly over budget.

The general fund actual expenditures were under the budget by \$2,198,511. 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, 2011, the net book value of capital assets recorded by the Town decreased by \$764,396 over the prior year. The decrease is the result of capital additions of \$31,469 less current year depreciation of \$795,865.

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

	<u>2011</u>	<u>2010</u>
Land	\$ 248,853	\$ 248,853
Land improvements	336,538	347,956
Art & antiques	77,655	77,655
Buildings	1,082,915	1,124,466
Equipment	1,093,884	1,219,683
Vehicles	1,042,492	1,164,449
Infrastructure	<u>4,342,090</u>	<u>4,805,761</u>
Total	<u>\$ 8,224,427</u>	<u>\$ 8,988,823</u>

#### Debt

At June 30, 2011, the Town had \$931,200 in bonds outstanding versus \$1,096,800 last year, a decrease of 15.10%. Refer to Note 5 of the Notes to the Financial Statements for detailed information.

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

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

The Town's undesignated fund balance has increased significantly in the past few years, bringing it above the level of a sufficient fund balance to sustain operations while also maintaining significant reserves for future operations, capital and program needs. The current year's increase was due to more than expected revenue collections and underspent appropriations.

### **Requests for Information**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Treasurer's Office at 145 Congress St., Rumford, Maine 04276.

## STATEMENT A

## TOWN OF RUMFORD, MAINE

## STATEMENT OF NET ASSETS

JUNE 30, 2011

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash	\$ 7,883,494	\$ 35,222	\$ 7,918,716
Investments	4,531	-	4,531
Accounts receivable (net of allowance for uncollectibles):			
Taxes	282,209	-	282,209
Liens	84,724	32,107	116,831
Other	243,120	225,704	468,824
Inventory	140,704	-	140,704
Prepaid items	2,390	-	2,390
Tax acquired property	44,482	-	44,482
Internal balances	(407)	407	-
Total current assets	<u>8,685,247</u>	<u>293,440</u>	<u>8,978,687</u>
Noncurrent assets:			
Capital assets:			
Land, infrastructure, and other assets not being depreciated	326,508	-	326,508
Buildings and vehicles net of accumulated depreciation	7,897,919	-	7,897,919
Total noncurrent assets	<u>8,224,427</u>	<u>-</u>	<u>8,224,427</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 16,909,674</u></u>	<u><u>\$ 293,440</u></u>	<u><u>\$ 17,203,114</u></u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	\$ 21,043	\$ -	\$ 21,043
Other accrued payables	6,642	171,877	178,519
Current portion of long-term obligations	238,338	-	238,338
Total current liabilities	<u>266,023</u>	<u>171,877</u>	<u>437,900</u>
Noncurrent liabilities			
Noncurrent portion of long-term obligations:			
Bonds payable	695,600	-	695,600
Capital leases payable	4,377	-	4,377
Accrued compensated absences	261,839	-	261,839
Total noncurrent liabilities	<u>961,816</u>	<u>-</u>	<u>961,816</u>
<b>TOTAL LIABILITIES</b>	<u>1,227,839</u>	<u>171,877</u>	<u>1,399,716</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	7,286,112	-	7,286,112
Restricted	2,332,771	-	2,332,771
Unrestricted	6,062,952	121,563	6,184,515
<b>TOTAL NET ASSETS</b>	<u>15,681,835</u>	<u>121,563</u>	<u>15,803,398</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 16,909,674</u></u>	<u><u>\$ 293,440</u></u>	<u><u>\$ 17,203,114</u></u>

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



## TOWN OF RUMFORD, MAINE

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2011

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue & Changes in Net Assets		
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Business- type Activities	Total
Governmental activities							
Current:							
General government	\$ 747,072	\$ 44,771	\$ -	\$ -	\$ (702,301)	\$ -	\$ (702,301)
Public safety	2,398,552	85,349	-	-	(2,313,203)	-	(2,313,203)
Public works	2,892,720	673,677	106,818	-	(2,112,225)	-	(2,112,225)
Health and sanitation	676,253	-	-	-	(676,253)	-	(676,253)
Welfare	55,788	35,435	-	-	(20,353)	-	(20,353)
Public services	463,624	34,206	-	-	(429,418)	-	(429,418)
Social services	186,550	-	-	-	(186,550)	-	(186,550)
Education	5,935,363	-	-	-	(5,935,363)	-	(5,935,363)
County tax	485,648	-	-	-	(485,648)	-	(485,648)
Tax increment financing agreement	1,909,795	-	-	-	(1,909,795)	-	(1,909,795)
Debt service:							
Interest on long-term debt	37,003	-	-	-	(37,003)	-	(37,003)
Capital outlay	332,063	-	-	-	(332,063)	-	(332,063)
Unallocated depreciation	63,181	-	-	-	(63,181)	-	(63,181)
Unclassified	1,170,831	-	298,699	-	(872,132)	-	(872,132)
Total governmental activities	<u>17,354,443</u>	<u>873,438</u>	<u>405,517</u>	<u>-</u>	<u>(16,075,488)</u>	<u>-</u>	<u>(16,075,488)</u>
Business-type activities:							
Sewer fund	360,893	351,336	-	-	-	(9,557)	(9,557)
Total business-type activities	<u>360,893</u>	<u>351,336</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,557)</u>	<u>(9,557)</u>
Total government	<u>17,715,336</u>	<u>1,224,774</u>	<u>405,517</u>	<u>-</u>	<u>(16,075,488)</u>	<u>(9,557)</u>	<u>(16,085,045)</u>

## STATEMENT B (CONTINUED)

## TOWN OF RUMFORD, MAINE

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

	Governmental Activities	Business- type Activities	Total
Changes in net assets:			
Net (expense) revenue	<u>(16,075,488)</u>	<u>(9,557)</u>	<u>(16,085,045)</u>
General revenue:			
Taxes			
Property taxes, levied for general purposes	13,293,998	-	13,293,998
Excise taxes, levied for general purposes	676,274	-	676,274
Grants and contributions not restricted to specific programs	1,444,962	-	1,444,962
Miscellaneous	375,493	9,898	385,391
Total general revenue	<u>15,790,727</u>	<u>9,898</u>	<u>15,800,625</u>
Change in net assets	(284,761)	341	(284,420)
Transfers	7,000	(7,000)	-
NET ASSETS - JULY 1	<u>15,959,596</u>	<u>128,222</u>	<u>16,087,818</u>
NET ASSETS - JUNE 30	<u>\$ 15,681,835</u>	<u>\$ 121,563</u>	<u>\$ 15,803,398</u>

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

## TOWN OF RUMFORD, MAINE

BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2011

	General Fund	Sewer Extension Fund	All Nonmajor Funds	Total
<b>ASSETS</b>				
Cash	\$ 5,833,006	\$ 848,439	\$ 1,202,049	\$ 7,883,494
Investments	-	-	4,531	4,531
Receivables (net of allowance for uncollectibles):				
Taxes	282,209	-	-	282,209
Liens	84,724	-	-	84,724
Other	96,347	-	146,773	243,120
Inventory	140,704	-	-	140,704
Prepaid items	2,390	-	-	2,390
Tax acquired property	44,482	-	-	44,482
Due from other funds	9,129	-	4,024	13,153
<b>TOTAL ASSETS</b>	<b>\$ 6,492,991</b>	<b>\$ 848,439</b>	<b>\$ 1,357,377</b>	<b>\$ 8,698,807</b>
<b>LIABILITIES AND FUND EQUITY</b>				
<b>Liabilities</b>				
Accounts payable	\$ 21,043	\$ -	\$ -	\$ 21,043
Taxes paid in advance	6,642	-	-	6,642
Due to other funds	4,431	-	9,129	13,560
Deferred tax revenues	278,077	-	-	278,077
<b>TOTAL LIABILITIES</b>	<b>310,193</b>	<b>-</b>	<b>9,129</b>	<b>319,322</b>
<b>Fund Equity</b>				
Nonspendable	187,576	-	-	187,576
Restricted	136,084	-	486,440	622,524
Committed	1,150,489	848,439	861,808	2,860,736
Assigned	1,360,396	-	-	1,360,396
Unassigned	3,348,253	-	-	3,348,253
<b>TOTAL FUND EQUITY</b>	<b>6,182,798</b>	<b>848,439</b>	<b>1,348,248</b>	<b>8,379,485</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 6,492,991</b>	<b>\$ 848,439</b>	<b>\$ 1,357,377</b>	<b>\$ 8,698,807</b>

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

## TOWN OF RUMFORD, MAINE

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

	<u>Total Governmental Funds</u>
Total Fund Equity	\$ 8,379,485
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	8,224,427
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	278,077
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Bonds payable	(931,200)
Capital leases payable	(7,115)
Accrued compensated absences	<u>(261,839)</u>
Net assets of governmental activities	<u><u>\$ 15,681,835</u></u>

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

## TOWN OF RUMFORD, MAINE

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

	General Fund	Sewer Extension Fund	All Nonmajor Funds	Totals Governmental Funds
<b>REVENUES</b>				
Property taxes	\$ 13,284,783	\$ -	\$ -	\$ 13,284,783
Excise taxes	676,274	-	-	676,274
Intergovernmental	1,551,780	-	298,699	1,850,479
Charges for services	873,438	-	-	873,438
Miscellaneous revenues	270,638	11,547	93,308	375,493
<b>TOTAL REVENUES</b>	<b>16,656,913</b>	<b>11,547</b>	<b>392,007</b>	<b>17,060,467</b>
<b>EXPENDITURES</b>				
Current:				
General government	754,391	-	-	754,391
Public safety	2,171,739	-	137,294	2,309,033
Public works	2,336,354	-	-	2,336,354
Health and sanitation	676,253	-	-	676,253
Welfare	55,749	-	39	55,788
Public services	418,313	-	-	418,313
Social services	186,550	-	-	186,550
Education	5,935,363	-	-	5,935,363
County tax	485,648	-	-	485,648
Tax Increment Financing Agreement	1,909,795	-	-	1,909,795
Debt service:				
Principal	165,600	-	-	165,600
Interest	37,003	-	-	37,003
Capital outlay	-	-	332,063	332,063
Unclassified	991,174	7,945	171,712	1,170,831
<b>TOTAL EXPENDITURES</b>	<b>16,123,932</b>	<b>7,945</b>	<b>641,108</b>	<b>16,772,985</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>532,981</b>	<b>3,602</b>	<b>(249,101)</b>	<b>287,482</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	7,000	-	301,758	308,758
Transfers (out)	(301,758)	-	-	(301,758)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(294,758)</b>	<b>-</b>	<b>301,758</b>	<b>7,000</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>238,223</b>	<b>3,602</b>	<b>52,657</b>	<b>294,482</b>
<b>FUND BALANCES - JULY 1</b>	<b>5,944,575</b>	<b>844,837</b>	<b>1,295,591</b>	<b>8,085,003</b>
<b>FUND BALANCES - JUNE 30</b>	<b>\$ 6,182,798</b>	<b>\$ 848,439</b>	<b>\$ 1,348,248</b>	<b>\$ 8,379,485</b>

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

## TOWN OF RUMFORD, MAINE

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

Net change in fund balances - total governmental funds (Statement E)	<u>\$ 294,482</u>
Amounts reported for governmental activities in the Statement of Activities (Statement B) are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocated those expenditures over the life of the assets:	
Capital asset purchases	31,469
Capital asset disposals	-
Depreciation expense	<u>(795,865)</u>
	<u>(764,396)</u>
Revenues in the Statement of Activities that do not provide current financial resources are not reported.	
Taxes and liens receivable	<u>9,215</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>169,030</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>13,908</u>
Change in net assets of governmental activities (Statement B)	<u><u>\$ (277,761)</u></u>

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

## TOWN OF RUMFORD, MAINE

BALANCE SHEET – PROPRIETARY FUNDS  
JUNE 30, 2011

	<u>Enterprise Sewer Fund</u>
ASSETS	
Current assets:	
Cash	\$ 35,222
Accounts receivable	225,704
Liens receivable	32,107
Due from other funds	407
Total current assets	<u>293,440</u>
TOTAL ASSETS	<u>\$ 293,440</u>
LIABILITIES AND NET ASSETS	
Current liabilities:	
Accounts payable	\$ -
Taxes paid in advance	13
Deferred taxes	171,864
Due to other funds	-
Total current liabilities	<u>171,877</u>
Total liabilities	<u>171,877</u>
NET ASSETS	
Unrestricted	<u>121,563</u>
TOTAL NET ASSETS	<u>121,563</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 293,440</u>

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

## TOWN OF RUMFORD, MAINE

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2011

	<u>Enterprise Sewer Fund</u>
OPERATING REVENUES	
Charges for services	\$ 351,336
Other	2,963
TOTAL OPERATING REVENUES	<u>354,299</u>
OPERATING EXPENSES	
Contracted services	360,906
Miscellaneous	(13)
TOTAL OPERATING EXPENSES	<u>360,893</u>
OPERATING (LOSS)	<u>(6,594)</u>
NON-OPERATING INCOME (EXPENSE)	
Interest income	6,935
Transfers in	-
Transfers out	(7,000)
NET NON-OPERATING INCOME	<u>(65)</u>
CHANGE IN NET ASSETS	(6,659)
NET ASSETS - JULY 1	<u>128,222</u>
NET ASSETS - JUNE 30	<u><u>\$ 121,563</u></u>

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



## TOWN OF RUMFORD, MAINE

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Enterprise Sewer Fund</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Receipts from customers	\$ 368,412
Internal activity - receipts (payments) from/to other funds	(1,092)
Payments to suppliers	<u>(361,037)</u>
Net cash provided by operating activities	<u>6,283</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Interest income	6,935
Transfers to other funds	<u>(7,000)</u>
Net cash used by investing activities	<u>(65)</u>
<b>NET CHANGE IN CASH</b>	<b>6,218</b>
<b>CASH - JULY 1</b>	<u>29,004</u>
<b>CASH - JUNE 30</b>	<u><u>\$ 35,222</u></u>
<b>RECONCILIATION OF OPERATING (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>	
Operating income (loss)	\$ (6,594)
Changes in operating assets and liabilities:	
(Increase) decrease in accounts receivable	28,457
(Increase) decrease in liens receivable	(32,107)
(Increase) decrease in due from other funds	(223)
Increase (decrease) in taxes paid in advance	(144)
Increase (decrease) in deferred taxes	17,763
Increase (decrease) in due to other funds	<u>(869)</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u><u>\$ 6,283</u></u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>	
Cash paid during the year for:	
Interest	<u><u>\$ -</u></u>

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Reporting Entity**

The Town of Rumford was incorporated under the laws of the State of Maine. The Town operates under the selectmen-manager form of government and provides the following services: general government, public safety, public works, health and sanitation, public services, social services, education, and other unclassified.

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

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

**Government – Wide and Fund Financial Statements**

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

Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. 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 RUMFORD, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The government-wide Statement of Activities reports both the gross and net cost of each of the Town's functions and business-type activities (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 RUMFORD, MAINE

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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.

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.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**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.

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.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. The Town does not adopt budgets for Special Revenue Funds.

**Deposits and Investments**

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

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

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

**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 oil and gasoline.

**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 sewer receivables is estimated to be \$0 as of June 30, 2011.

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

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. The capital assets for the Sewer Fund have not been included in these financial statements. The Town is working on compiling a list of these assets for inclusion in next year's financial statements.

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 RUMFORD, MAINE  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011

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.

**Fund Equity**

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



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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

**Committed** – This includes amounts that can be used only for specific purposes determined by a formal action of the inhabitants of the Town. The inhabitants of the Town through Town meetings are the highest level of decision-making authority of the Town. Commitments may be established, modified, or rescinded only through a Town meeting vote.

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

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

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Town meeting vote has provided otherwise in its commitment or assignment actions.

The Town is in the process of adopting a set of financial policies to guide the financial operation of the Town. Included in the policies will be guidelines for accumulating and maintaining an operating position in certain budgeted governmental funds such that annual expenditures shall not exceed annual resources, including fund balances. Other funds shall be fully self-supporting to the extent that the fund balance or retained earnings of each fund shall be zero or greater.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The Town's property tax for the current year was levied October 15, 2010 on the assessed value listed as of April 1, 2010, for all real and personal property located in the Town. Taxes were due on in two installments on November 15, 2010 and April 1, 2011. Interest on unpaid taxes commenced on November 16, 2010 and April 2, 2011, at 7% per annum.

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

The Town is permitted by the laws of the State of Maine to levy taxes up to 105% of its net budgeted expenditures for the related fiscal period. The amount raised in excess of 100% is referred to as overlay, and amounted to \$450,000 for the year ended June 30, 2011.

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

**Program Revenues**

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

**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.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**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.

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, 2011, the Town's cash balance of \$7,918,716 was comprised of deposits amounting to \$8,069,026. Of these deposits, \$497,199 was insured by federal depository insurance and consequently was not exposed to custodial credit risk, \$7,571,827 was collateralized with securities held by the financial institution but not in the Town's name and \$0 that was in excess of federal depository insurance and collateralization, and therefore, not insured or collateralized.

<u>Account Type</u>	<u>Bank Balance</u>
Checking accounts	\$ 461,892
Repurchase agreements	3,511,413
Savings accounts	35,307
Money market accounts	4,060,414
	\$ 8,069,026

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

NOTE 2 - CASH AND INVESTMENTS (CONTINUED)

At June 30, 2011, the Town's investments of \$4,531 were comprised of \$2,000 of stocks that are held in the Town's name and \$2,531 of certificates of deposit that were insured by federal depository insurance, both which consequently were not exposed to custodial credit risk.

<u>Investment Type</u>	<u>Bank Balance</u>	<u>Current</u>	<u>1 Year</u>	<u>2 - 5 Years</u>
Certificates of deposit	\$ 2,531	\$ -	\$ -	\$ 2,531
Stocks	2,000	-	-	2,000
	<u>\$ 4,531</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,000</u>

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, 2011 consisted of the following individual fund receivables and payables.

	<u>Receivables (Due from)</u>	<u>Payables (Due to)</u>
General Fund	\$ 9,129	\$ 4,431
Sewer Extension Fund	-	-
Special Revenue Funds	1,961	-
Capital Project Funds	2,063	9,114
Permanent Funds	-	15
Enterprise Funds	407	-
	<u>\$ 13,560</u>	<u>\$ 13,560</u>

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

NOTE 4 - CAPITAL ASSETS

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

	Balance, 7/1/10	Additions	Disposals	Balance, 6/30/11
<u>Governmental activities</u>				
Non-depreciated assets:				
Land	\$ 248,853	\$ -	\$ -	\$ 248,853
Art & antiques	77,655	-	-	77,655
	<u>326,508</u>	<u>-</u>	<u>-</u>	<u>326,508</u>
Depreciated assets:				
Land improvements	388,405	-	-	388,405
Buildings	1,841,327	-	-	1,841,327
Equipment	2,439,811	10,475	-	2,450,286
Vehicles	2,493,672	20,994	-	2,514,666
Infrastructure	15,213,436	-	-	15,213,436
	<u>22,376,651</u>	<u>31,469</u>	<u>-</u>	<u>22,408,120</u>
Less: accumulated depreciation	<u>(13,714,336)</u>	<u>(795,865)</u>	<u>-</u>	<u>(14,510,201)</u>
	<u>8,662,315</u>	<u>(764,396)</u>	<u>-</u>	<u>7,897,919</u>
Net governmental capital assets	<u>\$ 8,988,823</u>	<u>\$ (764,396)</u>	<u>\$ -</u>	<u>\$ 8,224,427</u>
				\$ 10,019
General government				89,519
Public safety				587,835
Public works				42,077
Recreation				3,234
Library				63,181
Town-wide				<u>\$ 795,865</u>
Total depreciation expense				

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

NOTE 5 - LONG TERM DEBT

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

	Balance, 7/1/10	Additions	Deletions	Balance, 6/30/11	Current Portion
Bonds payable	\$ 1,096,800	\$ -	\$ (165,600)	\$ 931,200	\$ 235,600
Capital leases payable	10,545	-	(3,430)	7,115	2,738
Accrued compensated absences	275,747	-	(13,908)	261,839	-
Totals	<u>\$ 1,383,092</u>	<u>\$ -</u>	<u>\$ (182,938)</u>	<u>\$ 1,200,154</u>	<u>\$ 238,338</u>

The following is a summary of the outstanding bonds payable:

Governmental activities debt:

\$828,000, 2007 Series B General Obligation Bonds due in annual principal payments of \$165,600, through November of 2012. Interest is charged at a rate varying from 1.0% to 6.0% per annum.

\$ 331,200

\$1,035,000, 2001 General Obligation Pension Bonds due in annual principal payments varying from \$45,000 to \$105,000, through July of 2017. Interest is charged at a rate varying from 5.250% to 7.00% per annum.

600,000

Total Long-Term Debt

\$ 931,200

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

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>
2012	\$ 235,600	\$ 45,234	\$ 280,834
2013	240,600	34,688	275,288
2014	80,000	28,685	108,685
2015	85,000	23,074	108,074
2016	90,000	17,058	107,058
2017-2021	200,000	14,326	214,326
	<u>\$ 931,200</u>	<u>\$ 163,065</u>	<u>\$ 1,094,265</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.

The following is a summary of outstanding capital leases payable:

The Town leases a photocopier under a non-cancelable lease agreement. The term of the lease is for a five year period expiring in December of 2011. Monthly payments are \$145.

The Town leases a photocopier under a non-cancelable lease agreement. The term of the lease is for a five year period expiring in June of 2014. Monthly payments are \$116.

The Town leases a photocopier under a non-cancelable lease agreement. The term of the lease is for a five year period expiring in October of 2013. Monthly payments are \$131.

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

NOTE 5 - LONG TERM DEBT (CONTINUED)

Future minimum payments by year, and in the aggregate under these leases are as follows:

Year Ending June 30:	
2012	\$ 2,964
2013	2,784
2014	1,785
2015	-
2016	-
Total minimum lease payment	<u>7,533</u>
Less amount representing interest	(418)
Present value of future minimum lease payments	<u><u>\$ 7,115</u></u>

NOTE 6 - RESTRICTED NET ASSETS

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

Restricted for general fund designated balances	\$ 136,084
Restricted for special revenue funds	417,422
Restricted for capital project funds	1,710,247
Restricted for permanent funds	69,018
	<u><u>\$ 2,332,771</u></u>

NOTE 7 - RESTRICTED FUND EQUITY

The following fund balance in the general fund has been restricted at June 30, 2011 for the following purposes:

State aid construction	<u><u>\$ 136,084</u></u>
------------------------	--------------------------



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

NOTE 8 - COMMITTED FUND EQUITY

The following fund balances in the general fund have been committed at June 30, 2011 for the following purposes:

Revaluation	\$ 30,000
Economic development	61,436
Economic development - performing arts committee	1,914
Municipal building - capital improvement	22,500
Sealer of weights and measures	682
Police department - training compliance education	10,000
Public works - bituminous	399,855
Permanent roads	186,606
Sidewalks	121,149
Bridges	150,862
Building demolition	27,650
PUIIA Business Park	36,773
Equipment maintenance	30,138
N.O.R.S.W.B. trucking	5,000
Municipal planning - industrial	2,200
Municipal planning - comprehensive	15,850
MMEHT - Health insurance	34,891
Capital improvement - parks	12,689
Fire department	294
	<hr/>
	<u>\$ 1,150,489</u>

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

NOTE 9 - GENERAL FUND ASSIGNED FUND EQUITY

At June 30, 2011, the general fund assigned fund balance was made up of the following account balances carried forward into the subsequent year's budget:

Cable tv franchise	\$ 49,217
State Municipal Revenue Sharing	821,475
Trust payments	96
Seizure disbursement	5,323
Rumford Bicentennial Oral History	2,761
Planning Board escrow	115,845
Tax increment financing	85
Moontide fireworks	52
DEP escrow	2,054
Library	11,206
Debt service pension bond	90,443
Accrued compensated absences	261,839
	<u>\$ 1,360,396</u>

NOTE 10 - OVERLAPPING DEBT

The Town is responsible for its proportionate share of County debt. As of June 30, 2011 the Town's share was as follows:

	<u>Outstanding Debt</u>	<u>Town's Percentage</u>	<u>Total Share</u>
County of Oxford	\$ -	10.47%	<u>\$ -</u>

NOTE 11 - ECONOMIC DEPENDENCY

The Town has one taxpayer whose property tax assessment represents a significant portion of the Town's tax base. The Rumford Paper Company has an assessed value of \$182,323,699, which is 30.04% of the Town's total assessed value of \$606,926,718. For the year ended June 30, 2011, the Rumford Paper Company's property tax assessment was \$3,554,302.

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

NOTE 12 - EXPENDITURES OVER APPROPRIATIONS

There were no appropriations that were exceeded by actual expenditures.

NOTE 13 - 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 14 - 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.

## Required Supplementary Information

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

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

## TOWN OF RUMFORD, MAINE

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

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		Positive (Negative)
Budgetary Fund Balance, July 1	\$5,944,575	\$5,944,575	\$ 5,944,575	\$ -
Resources (Inflows):				
Property taxes	13,309,930	13,309,930	13,284,783	(25,147)
Excise taxes	400,000	400,000	676,274	276,274
Intergovernmental	1,390,840	1,490,056	1,551,780	61,724
Charges for services	-	713,740	873,438	159,698
Miscellaneous revenues	-	59,786	270,638	210,852
Transfers from other funds	-	-	7,000	7,000
Amounts Available for Appropriation	21,045,345	21,918,087	22,608,488	690,401
Charges to Appropriations (Outflows):				
Current:				
General government	732,911	868,136	754,391	113,745
Public safety	2,145,075	2,179,835	2,171,739	8,096
Public works	1,435,733	3,378,867	2,336,354	1,042,513
Health and sanitation	686,600	686,600	676,253	10,347
Welfare	35,000	70,435	55,749	14,686
Public services	410,670	462,927	418,313	44,614
Social services	186,550	186,550	186,550	-
Education	6,145,918	6,145,918	5,935,363	210,555
County tax	485,648	485,648	485,648	-
Tax Increment Financing Agreement	1,909,795	1,909,795	1,909,795	-
Debt service:				
Principal	235,600	235,600	165,600	70,000
Interest	105,445	105,445	37,003	68,442
Unclassified	1,464,300	1,606,687	991,174	615,513
Transfers to other funds	250,000	301,758	301,758	-
Total Charges to Appropriations	16,229,245	18,624,201	16,425,690	2,198,511
Budgetary Fund Balance, June 30	\$4,816,100	\$3,293,886	\$ 6,182,798	\$ 2,888,912
Utilization of Designated Fund Balance	\$ -	\$1,522,214	\$ -	\$(1,522,214)
Utilization of Undesignated Fund Balance	1,128,475	1,128,475	-	(1,128,475)
	\$1,128,475	\$2,650,689	\$ -	\$(2,650,689)

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 – Budgetary Basis – Budget and Actual – General Fund Revenues
- Schedule of Departmental Operations – General Fund
- Combining Balance Sheet - Nonmajor Governmental Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds
- Combining Balance Sheet - Nonmajor Special Revenue Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds
- Combining Balance Sheet – Nonmajor Capital 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 RUMFORD, MAINE

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

	Budgeted Amounts		Actual	Variance
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Property taxes	\$ 13,309,930	\$ 13,309,930	\$ 13,284,783	\$ (25,147)
Excise taxes	400,000	400,000	676,274	276,274
Intergovernmental revenues				
State revenue sharing	768,106	768,106	768,106	-
Homestead exemption	122,864	122,864	122,864	-
Local road assistance	-	99,216	99,216	-
Tree growth reimbursement	-	-	47,221	47,221
Veterans' reimbursement	-	-	6,070	6,070
FEMA reimbursement	-	-	7,602	7,602
BETE reimbursement	499,870	499,870	499,872	2
Other intergovernmental revenue	-	-	829	829
Charges for services				
Licenses and permits	-	-	30,515	30,515
Charges for services	-	-	14,256	14,256
Fire revenue	-	19,760	23,010	3,250
Police revenue	-	2,311	57,159	54,848
Animal control fees	-	-	5,180	5,180
Roads	-	-	51,649	51,649
Equipment maintenance	-	365,170	365,170	-
N.O.R.S.W.B. Trucking	-	99,739	99,739	-
N.O.R.S.W.B. Payroll	-	157,119	157,119	-
Parks and recreation committee	-	22,452	22,452	-
Welfare Office	-	35,435	35,435	-
Library	-	11,754	11,754	-
Other income				
Bonds	-	-	5,724	5,724
Insurances/Social Security	-	-	25,212	25,212
Other income	-	59,786	239,702	179,916
Transfers in	-	-	7,000	7,000
Total revenues	\$ 15,100,770	\$ 15,973,512	\$ 16,663,913	\$ 690,401

See accompanying independent auditors' report.

TOWN OF RUMFORD, MAINE

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

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
<b>EXPENDITURES</b>					
General government:					
Selectmen	\$ 5,850	\$ -	\$ 5,850	\$ 5,242	\$ 608
Town manager	160,000	-	160,000	159,666	334
Town clerk	65,000	-	65,000	70,185	(5,185)
Tax collector	78,120	-	78,120	73,639	4,481
Tax assessor	103,506	30,000	133,506	102,456	31,050
Town solicitor	30,000	-	30,000	20,226	9,774
Town audit	20,000	-	20,000	24,547	(4,547)
Dog officer	29,900	-	29,900	28,494	1,406
Economic development	40,000	104,885	144,885	81,536	63,349
Elections	19,985	-	19,985	21,068	(1,083)
Municipal building	118,600	-	118,600	96,949	21,651
Computer	18,900	-	18,900	16,990	1,910
Information booth	8,200	-	8,200	13,384	(5,184)
MSRS - town employees	34,400	-	34,400	39,900	(5,500)
Sealer of weights and measures	450	340	790	109	681
	<u>732,911</u>	<u>135,225</u>	<u>868,136</u>	<u>754,391</u>	<u>113,745</u>
Public safety:					
Police	803,430	15,000	818,430	817,268	1,162
Fire	675,000	19,760	694,760	693,323	1,437
Code enforcement	47,545	-	47,545	41,128	6,417
Emergency management	8,100	-	8,100	7,814	286
Utilities	481,000	-	481,000	487,023	(6,023)
MSRS - police & fire	130,000	-	130,000	125,183	4,817
	<u>2,145,075</u>	<u>34,760</u>	<u>2,179,835</u>	<u>2,171,739</u>	<u>8,096</u>



TOWN OF RUMFORD, MAINE

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

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
<b>Public works:</b>					
Summer roads	284,962	-	284,962	285,750	(788)
Winter roads	581,405	-	581,405	608,654	(27,249)
Bituminous	70,000	335,394	405,394	5,539	399,855
Permanent roads	400,000	179,424	579,424	433,330	146,094
State aid construction	45,000	386,322	431,322	278,341	152,981
Sidewalks	-	135,864	135,864	14,715	121,149
Bridges	-	150,862	150,862	-	150,862
Building demolition	-	50,000	50,000	22,350	27,650
PUIIA Business Park	-	36,774	36,774	-	36,774
Town garage	54,366	668,494	722,860	687,675	35,185
	<u>1,435,733</u>	<u>1,943,134</u>	<u>3,378,867</u>	<u>2,336,354</u>	<u>1,042,513</u>
<b>Health and sanitation:</b>					
Health	112,000	-	112,000	102,028	9,972
Sewer maintenance	39,600	-	39,600	41,303	(1,703)
Solid waste	535,000	-	535,000	532,922	2,078
	<u>686,600</u>	<u>-</u>	<u>686,600</u>	<u>676,253</u>	<u>10,347</u>
<b>Welfare:</b>					
Welfare office	35,000	35,435	70,435	55,749	14,686
	<u>35,000</u>	<u>35,435</u>	<u>70,435</u>	<u>55,749</u>	<u>14,686</u>
<b>Public service:</b>					
Library	198,320	11,755	210,075	198,868	11,207
Municipal planning	24,500	18,050	42,550	21,832	20,718
Park & rec comm - parks	174,550	22,452	197,002	180,352	16,650
Park & rec comm - skate	7,500	-	7,500	8,844	(1,344)
Park & rec comm - cem	5,800	-	5,800	8,417	(2,617)
	<u>410,670</u>	<u>52,257</u>	<u>462,927</u>	<u>418,313</u>	<u>44,614</u>

TOWN OF RUMFORD, MAINE

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

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
Debt service:					
Principal	235,600	-	235,600	165,600	70,000
Interest	105,445	-	105,445	37,003	68,442
	<u>341,045</u>	<u>-</u>	<u>341,045</u>	<u>202,603</u>	<u>138,442</u>
Social services	<u>186,550</u>	<u>-</u>	<u>186,550</u>	<u>186,550</u>	<u>-</u>
Education	<u>6,145,918</u>	<u>-</u>	<u>6,145,918</u>	<u>5,935,363</u>	<u>210,555</u>
County tax	<u>485,648</u>	<u>-</u>	<u>485,648</u>	<u>485,648</u>	<u>-</u>
TIF	<u>1,909,795</u>	<u>-</u>	<u>1,909,795</u>	<u>1,909,795</u>	<u>-</u>
Unclassified:					
Insurances/social security	999,300	50,000	1,049,300	955,702	93,598
Contingency	15,000	-	15,000	2,035	12,965
Cable tv franchise	-	89,487	89,487	30,537	58,950
Fireworks	-	2,900	2,900	2,900	-
Overlay	450,000	-	450,000	-	450,000
	<u>1,464,300</u>	<u>142,387</u>	<u>1,606,687</u>	<u>991,174</u>	<u>615,513</u>
Transfers out:					
Capital reserves	250,000	51,758	301,758	301,758	-
	<u>250,000</u>	<u>51,758</u>	<u>301,758</u>	<u>301,758</u>	<u>-</u>
Total Expenditures	<u>\$ 16,229,245</u>	<u>\$ 2,394,956</u>	<u>\$ 18,624,201</u>	<u>\$ 16,425,690</u>	<u>\$ 2,198,511</u>

See accompanying independent auditors' report.

## TOWN OF RUMFORD, MAINE

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2011

	Special Revenue Funds	Capital Project Funds	Permanent Funds	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Cash	\$ 268,688	\$ 868,859	\$ 64,502	\$ 1,202,049
Investments	-	-	4,531	4,531
Accounts receivable	146,773	-	-	146,773
Due from other funds	1,961	2,063	-	4,024
Total assets	<u>\$ 417,422</u>	<u>\$ 870,922</u>	<u>\$ 69,033</u>	<u>\$ 1,357,377</u>
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	9,114	15	9,129
Total liabilities	<u>-</u>	<u>9,114</u>	<u>15</u>	<u>9,129</u>
<b>FUND EQUITY</b>				
Fund balance:				
Restricted	417,422	-	69,018	486,440
Committed	-	861,808	-	861,808
Total fund equity	<u>417,422</u>	<u>861,808</u>	<u>69,018</u>	<u>1,348,248</u>
Total liabilities and fund equity	<u>\$ 417,422</u>	<u>\$ 870,922</u>	<u>\$ 69,033</u>	<u>\$ 1,357,377</u>

See accompanying independent auditors' report.

## TOWN OF RUMFORD, MAINE

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

	Special Revenue Funds	Capital Project Funds	Permanent Funds	Total Nonmajor Governmental Funds
<b>REVENUES</b>				
Intergovernmental	\$ 298,699	\$ -	\$ -	\$ 298,699
Interest/Gains & Losses	9,939	15,286	1,423	26,648
Other	-	66,660	-	66,660
<b>TOTAL REVENUES</b>	<b>308,638</b>	<b>81,946</b>	<b>1,423</b>	<b>392,007</b>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	137,294	-	-	137,294
Public Works	-	-	-	-
Health and Sanitation	-	-	-	-
Public Service	-	-	39	39
Education	-	-	-	-
Cemeteries	-	-	321	321
Unclassified	171,391	-	-	171,391
Capital outlay	-	332,063	-	332,063
<b>TOTAL EXPENDITURES</b>	<b>308,685</b>	<b>332,063</b>	<b>360</b>	<b>641,108</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(47)</b>	<b>(250,117)</b>	<b>1,063</b>	<b>(249,101)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	2,000	299,758	-	301,758
Transfers (Out)	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>2,000</b>	<b>299,758</b>	<b>-</b>	<b>301,758</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES)</b>	<b>1,953</b>	<b>49,641</b>	<b>1,063</b>	<b>52,657</b>
<b>FUND BALANCES - JULY 1</b>	<b>415,469</b>	<b>812,167</b>	<b>67,955</b>	<b>1,295,591</b>
<b>FUND BALANCES - JUNE 30</b>	<b>\$ 417,422</b>	<b>\$ 861,808</b>	<b>\$ 69,018</b>	<b>\$ 1,348,248</b>

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 RUMFORD, MAINE

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

	UDAG Funds	CDBG Funds	EDA Escrow Fund	Byrne Grant	JAG Grant	Oxford Cty. Municipal Byrne/JAG Grant	Summer High Visibility Grant	High Visibility Holiday Enforcement
<b>ASSETS</b>								
Cash	\$ 173,557	\$ 40,783	\$ 39,868	\$ 8,520	\$ -	\$ -	\$ -	\$ -
Accounts receivable	146,773	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	1,961	-	-
<b>TOTAL ASSETS</b>	<u>\$ 320,330</u>	<u>\$ 40,783</u>	<u>\$ 39,868</u>	<u>\$ 8,520</u>	<u>\$ -</u>	<u>\$ 1,961</u>	<u>\$ -</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND EQUITY</b>								
<b>LIABILITIES</b>								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND EQUITY</b>								
Fund balance:								
Restricted	320,330	40,783	39,868	8,520	-	1,961	-	-
<b>TOTAL FUND EQUITY</b>	<u>320,330</u>	<u>40,783</u>	<u>39,868</u>	<u>8,520</u>	<u>-</u>	<u>1,961</u>	<u>-</u>	<u>-</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>\$ 320,330</u>	<u>\$ 40,783</u>	<u>\$ 39,868</u>	<u>\$ 8,520</u>	<u>\$ -</u>	<u>\$ 1,961</u>	<u>\$ -</u>	<u>\$ -</u>

TOWN OF RUMFORD, MAINE

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

	MDEA Grant	Underage Drinking Grants	DARE	HVE Seatbelt Campaign	MMA Safety Enhancement Grant	Bureau of Highway Safety Grant	Efficiency Maine Grant	Totals
<b>ASSETS</b>								
Cash	\$ -	\$ -	\$ 5,960	\$ -	\$ -	\$ -	\$ -	\$ 268,688
Accounts receivable	-	-	-	-	-	-	-	146,773
Due from other funds	-	-	-	-	-	-	-	1,961
<b>TOTAL ASSETS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,960</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 417,422</u>
<b>LIABILITIES AND FUND EQUITY</b>								
<b>LIABILITIES</b>								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND EQUITY</b>								
Fund balance:								
Restricted	-	-	5,960	-	-	-	-	417,422
<b>TOTAL FUND EQUITY</b>	<u>-</u>	<u>-</u>	<u>5,960</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>417,422</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,960</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 417,422</u>

See accompanying independent auditors' report.

TOWN OF RUMFORD, MAINE

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

	UDAG Funds	CDBG Funds	EDA Escrow Fund	Byrne Grant	JAG Grant	Oxford Cty. Municipal Byrne/JAG Grant	Summer High Visibility Grant	High Visibility Holiday Enforcement
REVENUES								
Intergovernmental	\$ -	\$ 159,134	\$ -	\$ -	\$ 1,000	\$ 27,134	\$ 6,266	\$ 1,309
Interest/Gains & Losses	7,988	851	749	243	-	-	-	-
Other	-	-	-	-	-	-	-	-
TOTAL REVENUES	<u>7,988</u>	<u>159,985</u>	<u>749</u>	<u>243</u>	<u>1,000</u>	<u>27,134</u>	<u>6,266</u>	<u>1,309</u>
EXPENDITURES								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	8,139	3,727	25,173	6,266	1,309
Public Works	-	-	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-	-	-
Public Service	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-
Unclassified	-	159,204	207	-	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>159,204</u>	<u>207</u>	<u>8,139</u>	<u>3,727</u>	<u>25,173</u>	<u>6,266</u>	<u>1,309</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>7,988</u>	<u>781</u>	<u>542</u>	<u>(7,896)</u>	<u>(2,727)</u>	<u>1,961</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)								
Operating Transfers In	-	-	2,000	-	-	-	-	-
Operating Transfers (Out)	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>2,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES)	<u>7,988</u>	<u>781</u>	<u>2,542</u>	<u>(7,896)</u>	<u>(2,727)</u>	<u>1,961</u>	<u>-</u>	<u>-</u>
FUND BALANCES - JULY 1	<u>312,342</u>	<u>40,002</u>	<u>37,326</u>	<u>16,416</u>	<u>2,727</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - JUNE 30	<u>\$ 320,330</u>	<u>\$ 40,783</u>	<u>\$ 39,868</u>	<u>\$ 8,520</u>	<u>\$ -</u>	<u>\$ 1,961</u>	<u>\$ -</u>	<u>\$ -</u>



TOWN OF RUMFORD, MAINE

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

	MDEA Grant	Underage Drinking Grants	DARE	HVE Seatbelt Campaign	MMA Safety Enhancement Grant	Bureau of Highway Safety Grant	Efficiency Maine Grant	Totals
<b>REVENUES</b>								
Intergovernmental	\$ 80,780	\$ 5,707	\$ 1,717	\$ 2,002	\$ 1,670	\$ 1,980	\$ 10,000	298,699
Interest/Gains & Losses	-	-	108	-	-	-	-	9,939
Other	-	-	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<u>80,780</u>	<u>5,707</u>	<u>1,825</u>	<u>2,002</u>	<u>1,670</u>	<u>1,980</u>	<u>10,000</u>	<u>308,638</u>
<b>EXPENDITURES</b>								
General Government	-	-	-	-	-	-	-	-
Public Safety	80,780	5,707	2,521	2,002	1,670	-	-	137,294
Public Works	-	-	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-	-	-
Public Service	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-
Unclassified	-	-	-	-	-	1,980	10,000	171,391
<b>TOTAL EXPENDITURES</b>	<u>80,780</u>	<u>5,707</u>	<u>2,521</u>	<u>2,002</u>	<u>1,670</u>	<u>1,980</u>	<u>10,000</u>	<u>308,685</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>(696)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(47)</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Operating Transfers In	-	-	-	-	-	-	-	2,000
Operating Transfers (Out)	-	-	-	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,000</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES)</b>	<u>-</u>	<u>-</u>	<u>(696)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,953</u>
<b>FUND BALANCES - JULY 1</b>	<u>-</u>	<u>-</u>	<u>6,656</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>415,469</u>
<b>FUND BALANCES - JUNE 30</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,960</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 417,422</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 RUMFORD, MAINE

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

	Highway Department Fund	NORSWB Trucking Fund	Building Renovations Fund	Town Hall Administration Fund	Town Hall Maintenance Fund	Fire Department Fund	Police Department Fund
<b>ASSETS</b>							
Cash	\$ 112,157	\$ 45,950	\$ 65,819	\$ 545	\$ 182,465	\$ 287,164	\$ 16,442
Due from other funds	-	-	-	-	-	1,163	900
<b>TOTAL ASSETS</b>	<u>\$ 112,157</u>	<u>\$ 45,950</u>	<u>\$ 65,819</u>	<u>\$ 545</u>	<u>\$ 182,465</u>	<u>\$ 288,327</u>	<u>\$ 17,342</u>
<b>LIABILITIES AND FUND EQUITY</b>							
<b>LIABILITIES</b>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	7,950	1,164
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,950</u>	<u>1,164</u>
<b>FUND EQUITY</b>							
Fund balance:							
Committed	112,157	45,950	65,819	545	182,465	280,377	16,178
<b>TOTAL FUND EQUITY</b>	<u>112,157</u>	<u>45,950</u>	<u>65,819</u>	<u>545</u>	<u>182,465</u>	<u>280,377</u>	<u>16,178</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>\$ 112,157</u>	<u>\$ 45,950</u>	<u>\$ 65,819</u>	<u>\$ 545</u>	<u>\$ 182,465</u>	<u>\$ 288,327</u>	<u>\$ 17,342</u>

TOWN OF RUMFORD, MAINE

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

	<u>Parks Department Fund</u>	<u>Public Library Fund</u>	<u>Other Town Properties</u>	<u>Code Enforcement Fund</u>	<u>Computer Fund</u>	<u>Voting Machine Fund</u>	<u>Totals</u>
<b>ASSETS</b>							
Cash	\$ 82,067	\$ 26,006	\$ 4,695	\$ 11,244	\$ 25,539	\$ 8,766	\$ 868,859
Due from other funds	-	-	-	-	-	-	2,063
<b>TOTAL ASSETS</b>	<u>\$ 82,067</u>	<u>\$ 26,006</u>	<u>\$ 4,695</u>	<u>\$ 11,244</u>	<u>\$ 25,539</u>	<u>\$ 8,766</u>	<u>\$ 870,922</u>
<b>LIABILITIES AND FUND EQUITY</b>							
<b>LIABILITIES</b>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	9,114
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,114</u>
<b>FUND EQUITY</b>							
Fund balance:							
Committed	82,067	26,006	4,695	11,244	25,539	8,766	861,808
<b>TOTAL FUND EQUITY</b>	<u>82,067</u>	<u>26,006</u>	<u>4,695</u>	<u>11,244</u>	<u>25,539</u>	<u>8,766</u>	<u>861,808</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>\$ 82,067</u>	<u>\$ 26,006</u>	<u>\$ 4,695</u>	<u>\$ 11,244</u>	<u>\$ 25,539</u>	<u>\$ 8,766</u>	<u>\$ 870,922</u>

See accompanying independent auditors' report.

## TOWN OF RUMFORD, MAINE

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

	Highway Department Fund	NORSWB Trucking Fund	Building Renovations Fund	Town Hall Administration Fund	Town Hall Maintenance Fund	Fire Department Fund	Police Department Fund
REVENUES							
Interest	\$ 3,533	\$ 815	\$ 1,271	\$ 10	\$ 3,266	\$ 2,535	\$ 782
Other	-	-	-	-	64,460	-	1,060
TOTAL REVENUES	<u>3,533</u>	<u>815</u>	<u>1,271</u>	<u>10</u>	<u>67,726</u>	<u>2,535</u>	<u>1,842</u>
EXPENDITURES							
Capital Outlay	186,815	73	114	1	83,437	8,788	28,134
TOTAL EXPENDITURES	<u>186,815</u>	<u>73</u>	<u>114</u>	<u>1</u>	<u>83,437</u>	<u>8,788</u>	<u>28,134</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(183,282)</u>	<u>742</u>	<u>1,157</u>	<u>9</u>	<u>(15,711)</u>	<u>(6,253)</u>	<u>(26,292)</u>
OTHER FINANCING SOURCES (USES)							
Operating Transfers In	118,000	6,447	-	-	41,000	113,000	2,311
Operating Transfers (Out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>118,000</u>	<u>6,447</u>	<u>-</u>	<u>-</u>	<u>41,000</u>	<u>113,000</u>	<u>2,311</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES)	<u>(65,282)</u>	<u>7,189</u>	<u>1,157</u>	<u>9</u>	<u>25,289</u>	<u>106,747</u>	<u>(23,981)</u>
FUND BALANCES - JULY 1	<u>177,439</u>	<u>38,761</u>	<u>64,662</u>	<u>536</u>	<u>157,176</u>	<u>173,630</u>	<u>40,159</u>
FUND BALANCES - JUNE 30	<u>\$ 112,157</u>	<u>\$ 45,950</u>	<u>\$ 65,819</u>	<u>\$ 545</u>	<u>\$ 182,465</u>	<u>\$ 280,377</u>	<u>\$ 16,178</u>

TOWN OF RUMFORD, MAINE

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

	<u>Parks Department Fund</u>	<u>Public Library Fund</u>	<u>Other Town Properties</u>	<u>Code Enforcement Fund</u>	<u>Computer Fund</u>	<u>Voting Machine Fund</u>	<u>Totals</u>
REVENUES							
Interest	\$ 1,539	\$ 512	\$ 90	\$ 206	\$ 592	\$ 135	\$ 15,286
Other	500	640	-	-	-	-	66,660
TOTAL REVENUES	<u>2,039</u>	<u>1,152</u>	<u>90</u>	<u>206</u>	<u>592</u>	<u>135</u>	<u>81,946</u>
EXPENDITURES							
Capital Outlay	9,176	4,708	8	19	10,778	12	332,063
TOTAL EXPENDITURES	<u>9,176</u>	<u>4,708</u>	<u>8</u>	<u>19</u>	<u>10,778</u>	<u>12</u>	<u>332,063</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(7,137)</u>	<u>(3,556)</u>	<u>82</u>	<u>187</u>	<u>(10,186)</u>	<u>123</u>	<u>(250,117)</u>
OTHER FINANCING SOURCES (USES)							
Operating Transfers In	10,000	5,000	-	1,000	-	3,000	299,758
Operating Transfers (Out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>10,000</u>	<u>5,000</u>	<u>-</u>	<u>1,000</u>	<u>-</u>	<u>3,000</u>	<u>299,758</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES)	2,863	1,444	82	1,187	(10,186)	3,123	49,641
FUND BALANCES - JULY 1	<u>79,204</u>	<u>24,562</u>	<u>4,613</u>	<u>10,057</u>	<u>35,725</u>	<u>5,643</u>	<u>812,167</u>
FUND BALANCES - JUNE 30	<u>\$ 82,067</u>	<u>\$ 26,006</u>	<u>\$ 4,695</u>	<u>\$ 11,244</u>	<u>\$ 25,539</u>	<u>\$ 8,766</u>	<u>\$ 861,808</u>

See accompanying independent auditors' report.

## Permanent Funds

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

## TOWN OF RUMFORD, MAINE

COMBINING BALANCE SHEET – NONMAJOR PERMANENT FUNDS  
JUNE 30, 2011

	Cemetery Trust Fund	Library Trust Fund	Totals
<b>ASSETS</b>			
Cash	\$ 42,213	\$ 22,289	\$ 64,502
Investments	4,531	-	4,531
Due from other funds	-	-	-
Total assets	<u>\$ 46,744</u>	<u>\$ 22,289</u>	<u>\$ 69,033</u>
<b>LIABILITIES</b>			
Due to other funds	\$ 15	\$ -	\$ 15
Total liabilities	<u>15</u>	<u>-</u>	<u>15</u>
<b>FUND EQUITY</b>			
Fund balance:			
Restricted	46,729	22,289	69,018
Total fund equity	<u>46,729</u>	<u>22,289</u>	<u>69,018</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>\$ 46,744</u>	<u>\$ 22,289</u>	<u>\$ 69,033</u>

See accompanying independent auditors' report.



## TOWN OF RUMFORD, MAINE

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

	Cemetery Trust Fund	Library Trust Fund	Totals
REVENUES			
Interest	\$ 993	\$ 430	\$ 1,423
Other	-	-	-
TOTAL REVENUES	<u>993</u>	<u>430</u>	<u>1,423</u>
EXPENDITURES			
Other	321	39	360
TOTAL EXPENDITURES	<u>321</u>	<u>39</u>	<u>360</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>672</u>	<u>391</u>	<u>1,063</u>
OTHER FINANCING SOURCES (USES)			
Operating Transfers In	-	-	-
Operating Transfers (Out)	-	-	-
TOTAL OTHER FINANCING (USES)	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES)	672	391	1,063
FUND BALANCES - JULY 1	<u>46,057</u>	<u>21,898</u>	<u>67,955</u>
FUND BALANCES - JUNE 30	<u>\$ 46,729</u>	<u>\$ 22,289</u>	<u>\$ 69,018</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 RUMFORD, MAINE

SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION  
JUNE 30, 2011

	Land and Non-depreciable Assets	Buildings, Building Improvements & Land Improvements	Furniture, Fixtures, Equipment & Vehicles	Infrastructure	Total
General government	\$ -	\$ -	\$ 186,513	\$ -	\$ 186,513
Public safety	296	48,472	1,789,216	-	1,837,984
Public works	6,381	159,599	2,371,490	14,442,352	16,979,822
Recreation	21,557	483,827	557,741	-	1,063,125
Library	2,535	29,734	59,992	-	92,261
Cemeteries	4,987	-	-	-	4,987
Town-wide	<u>290,752</u>	<u>1,508,100</u>	<u>-</u>	<u>771,084</u>	<u>2,569,936</u>
Total General Capital Assets	326,508	2,229,732	4,964,952	15,213,436	22,734,628
Less: Accumulated Depreciation	<u>-</u>	<u>(810,279)</u>	<u>(2,828,576)</u>	<u>(10,871,346)</u>	<u>(14,510,201)</u>
Net General Capital Assets	<u>\$ 326,508</u>	<u>\$ 1,419,453</u>	<u>\$ 2,136,376</u>	<u>\$ 4,342,090</u>	<u>\$ 8,224,427</u>

See accompanying independent auditors' report.

## TOWN OF RUMFORD, MAINE

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

	General Capital Assets 7/1/10	Additions	Deletions	General Capital Assets 6/30/11
General government	\$ 176,038	\$ 10,475	\$ -	\$ 186,513
Public safety	1,816,990	20,994	-	1,837,984
Public works	16,979,822	-	-	16,979,822
Recreation	1,063,125	-	-	1,063,125
Library	92,261	-	-	92,261
Cemeteries	4,987	-	-	4,987
Town-wide	<u>2,569,936</u>	<u>-</u>	<u>-</u>	<u>2,569,936</u>
Total General Capital Assets	22,703,159	31,469	-	22,734,628
Less: Accumulated Depreciation	<u>(13,714,336)</u>	<u>(795,865)</u>	<u>-</u>	<u>(14,510,201)</u>
Net General Capital Assets	<u>\$ 8,988,823</u>	<u>\$ (764,396)</u>	<u>\$ -</u>	<u>\$ 8,224,427</u>

See accompanying independent auditors' report.