

**Financial Statements**

**Town of Wayne, Maine**

**June 30, 2011**

11/15/2011 10:00 AM

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## Town of Wayne, Maine

June 30, 2011

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**Independent Auditors' Report**

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

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Wayne, 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's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

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

In our opinion the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Wayne, Maine as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparison for the General Fund, thereof and for the year then ended, in conformity with 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 page 3 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted 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 Town's financial statements as a whole. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements. 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.

Purdy Powus - Company  
Professional Association

Portland, Maine  
September 29, 2011

# TOWN OF WAYNE

Incorporated February 12, 1798

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PO Box 400  
Wayne, Maine 04284

Telephone: 207-685-4983  
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## **Management's Discussion and Analysis**

As Management of the Town of Wayne, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2011. Please read it in conjunction with the Town's financial statements, which begin on page 4.

## **Using this Annual Report**

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 4-5) provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Fund financial statements start on page 6. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds. The remaining statements provide financial information about activities for which the Town acts solely as a trustee or agent for the benefit of those outside of the government.

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

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

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

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

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

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

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

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

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

### **The Town as Trustee**

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

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

## THE TOWN AS A WHOLE

For the years ended June 30, 2011 and 2010, net assets changed as follows:

	2011	2010
<b>Governmental Activities</b>		
Beginning net assets	\$ 3,776,622	\$ 3,988,707
Increase (decrease) in net assets	<u>74,266</u>	<u>(212,085)</u>
Ending net assets	<u>\$ 3,850,888</u>	<u>\$ 3,776,622</u>

That reflects an increase of approximately 1.97% for governmental activities.

This increase represents the two major construction projects on Fairbanks Road paving project, and the reconstruction of the gravel portion of Hardscrabble Road. The Hardscrabble Road project was partially paid for with a FEMA Hazard Mitigation grant.

### Governmental Activities

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

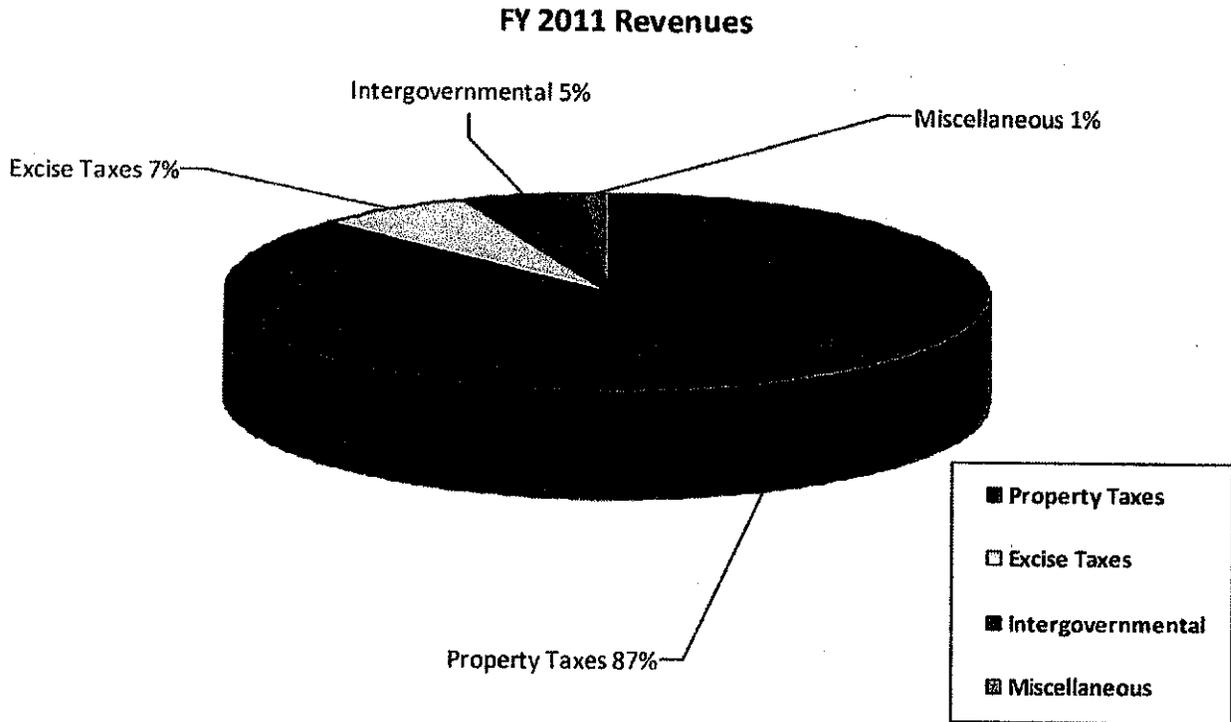
General government	Building permits, agency fees, and dog licenses.
Public services	State general assistance reimbursements.
Public Works	State highway aid grant and FEMA reimbursements.

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

**THE TOWN'S FUNDS**

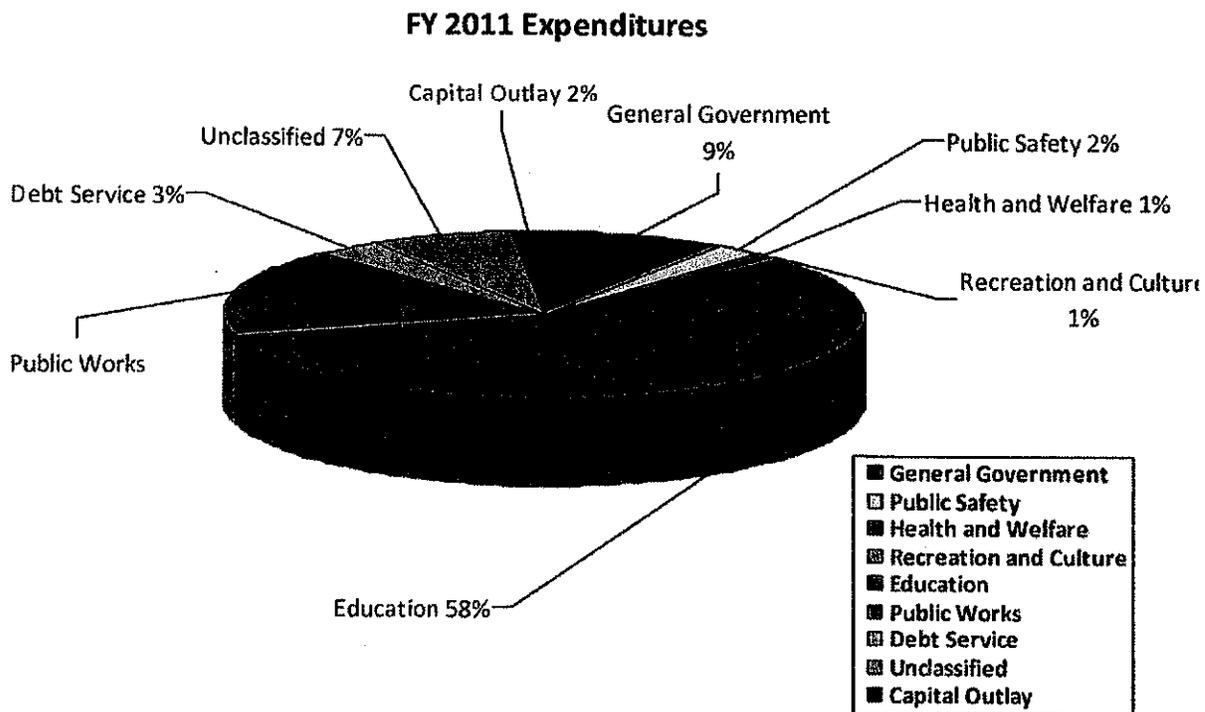
The following schedule presents a summary of general fund revenues and expenditures for the fiscal year ended June 30, 2011, and the amount and percentage of increases and decreases in relation to the prior year.

<u>Revenue</u>	<u>FY 2011 Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from FY 2010</u>
<i>Property Taxes</i>	\$ 2,488,675	86.50%	\$ 124,406
<i>Excise Taxes</i>	200,523	6.97%	12,425
<i>Intergovernmental</i>	156,268	5.43%	20,385
<i>Miscellaneous</i>	31,747	1.10%	3,798
<b>Total Revenue</b>	<b>\$ 2,877,213</b>	<b>100.00%</b>	<b>\$ 161,014</b>



Due to changes in the GASB 54 implementation this year, revenues historically reported in Special Revenue Funds are now reported as part of the General Fund. However this does not reflect any policy change within the Town's financial institution just the way the Town must report the monies to the public. Revenues are up primarily due to the increase in the mill rate from 13.55 in 2009-10 to 14.05 in 2010-11, and some small increases in excise tax, intergovernmental, and miscellaneous revenues.

<u>Expenditures</u>	<u>FY 2011 Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from FY 2010</u>
General government	\$ 254,315	9.18%	\$ 12,054
Public safety	61,680	2.23%	2,338
Health and welfare	31,178	1.13%	6,660
Recreation and culture	17,623	0.64%	4,916
Education	1,587,023	57.32%	79,004
Public works	479,659	17.32%	(11,919)
Debt service	88,587	3.20%	(3,770)
Unclassified	205,461	7.42%	17,261
Capital Outlay	43,314	1.56%	43,314
<b>Total Expenditures</b>	<b>\$ 2,768,840</b>	<b>100.00%</b>	<b>\$ 149,858</b>



Due to changes in the GASB 54 implementation this year, revenues historically reported in Special Revenue Funds are now reported as part of the General Fund. However this does not reflect any policy change within the Town's financial institution just the way the Town must report the monies to the public. The changes include Capital Outlay, and more expenses categorized as unclassified to be added to the table, where in years past this was not done. The major increase is due to the appropriation to the RSU resulting in \$79,004, along with other smaller increases in various areas throughout Town government.

## GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the Town Meeting did not revise the General Fund budget. The budget relied heavily on the expectation of a level mill rate for this year. The development of the budget this year resulted in reductions were possible to achieve the same mill rate as FY 10.

## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets

At the end of June 30, 2011, the Town had approximately \$6,880,000 invested in capital assets including land and buildings, fire trucks and equipment, roads, and other infrastructure. (See table below)

	Governmental Activities	
	<u>2011</u>	<u>2010</u>
Land	\$ 705,000	\$ 705,000
Construction in Progress	4,720	---
Buildings	654,914	654,914
Equipment	420,891	420,891
Infrastructure (roads and dams)	<u>5,094,939</u>	<u>5,056,291</u>
TOTALS	<u>\$ 6,880,464</u>	<u>\$ 6,837,096</u>

### Debt

At year-end, the Town had \$160,000 in outstanding debt compared to \$240,000 last year. The following table shows a comparison by year:

	Governmental Activities	
	<u>2011</u>	<u>2010</u>
Bonds payable	<u>\$ 160,000</u>	<u>\$ 240,000</u>

Other obligations of the Town include accrued compensated absences for unused vacation and sick time. The Town currently has two outstanding bonds the Pond Road reconstruction Bond and Village Dam Bond. These two bonds shall be paid in full by July 2012, and at that time the Town will have no outstanding debt service.

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

As the economic difficulty has no foreseen ending, it may result in several more years of rough budgets. The Municipal Budget for fiscal year 2010-2011 resulted in an increase of the budget of \$887. However, through some increases in property values the Board was able to level fund the mill rate at 14.05 for FY 2011-12. The Regional School Unit appropriation for fiscal year 2011-2012 increased nearly \$30,000, due to declining enrollment of Wayne Students. It will be continue to be a challenge to keep the level of services the same without impacting the resident's tax bills.

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

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, visit the Town Office at the Wayne Elementary School, 48 Pond Road in Wayne or call 685-4983.

## Statement of Net Assets

### Town of Wayne, Maine

As of June 30, 2011

	<u>Governmental Activities</u>
<b>Assets</b>	
Cash ( <i>note B</i> )	\$ 1,403,270
Taxes receivable	10,158
Tax liens receivable	132,475
Due from other governments	6,909
Capital assets, net of accumulated depreciation ( <i>note C</i> )	<u>2,567,085</u>
<b>Total Assets</b>	<b>4,119,897</b>
<b>Liabilities</b>	
Accounts payable	96,369
Taxes paid in advance	3,502
Accrued liabilities	3,865
Accrued interest payable	4,702
Long-term liabilities ( <i>note F</i> ):	
Portion due or payable within one year:	
Bonds payable	80,000
Accrued vacation	143
Portion due or payable after one year:	
Bonds payable	80,000
Accrued vacation	<u>428</u>
<b>Total Liabilities</b>	<b>269,009</b>
<b>Net Assets</b>	
Invested in capital assets, net of related debt	2,407,085
Restricted	57,794
Unrestricted	<u>1,386,009</u>
<b>Total Net Assets</b>	<b>\$ 3,850,888</b>

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

**Statement of Activities**

**Town of Wayne, Maine**

**For the Year Ended June 30, 2011**

<u>Function/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>(Expense) Revenue and Changes in Net Assets</u>
<b>Governmental Activities:</b>				<b>Governmental Activities</b>
General government	\$ 268,036	\$ 6,256	\$ -	\$ (261,780)
Public safety	96,450	-	-	(96,450)
Health and welfare	31,178	-	320	(30,858)
Recreation and culture	39,977	-	-	(39,977)
Education	1,587,023	-	-	(1,587,023)
Public works	590,629	-	34,476	(556,153)
Unclassified	205,407	-	-	(205,407)
Interest on long-term debt	6,145	-	-	(6,145)
<b>Total Governmental Activities</b>	<b>\$ 2,824,845</b>	<b>\$ 6,256</b>	<b>\$ 34,796</b>	<b>(2,783,793)</b>

General revenues:

Taxes:

Property	2,501,675
Excise	200,523
Intergovernmental	121,472
Interest income	14,320
Miscellaneous	20,069

**Total General Revenues** 2,858,059

**Change in Net Assets** 74,266

Net assets at beginning of year 3,776,622

**Net Assets at End of Year** \$ 3,850,888

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

## Balance Sheet - Governmental Funds

### Town of Wayne, Maine

As of June 30, 2011

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets</b>			
Cash (note B)	\$ 1,346,976	\$ 56,294	\$ 1,403,270
Taxes receivable	10,158	-	10,158
Tax liens receivable	132,475	-	132,475
Due from other governments	6,909	-	6,909
Due from other funds (note D)	-	1,500	1,500
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total Assets</b>	<b>\$ 1,496,518</b>	<b>\$ 57,794</b>	<b>\$ 1,554,312</b>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts payable	\$ 96,369	\$ -	\$ 96,369
Taxes paid in advance	3,502	-	3,502
Accrued liabilities	3,865	-	3,865
Due to other funds (note D)	1,500	-	1,500
Deferred property taxes	94,000	-	94,000
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total Liabilities</b>	<b>199,236</b>	<b>-</b>	<b>199,236</b>
<b>Fund Balances</b>			
Restricted:			
Permanent funds	-	57,794	57,794
Assigned:			
General fund	438,047	-	438,047
Unassigned:			
General fund	859,235	-	859,235
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total Fund Balances</b>	<b>1,297,282</b>	<b>57,794</b>	<b>1,355,076</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 1,496,518</b>	<b>\$ 57,794</b>	<b>\$ 1,554,312</b>

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

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

## Town of Wayne, Maine

As of June 30, 2011

**Total Fund Balances - Governmental Funds** **\$ 1,355,076**

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

Capital assets used in governmental activities are not financial  
resources and therefore are not reported as assets in governmental  
funds. The cost of capital assets, net of accumulated depreciation is: 2,567,085

Property tax revenues are presented on the modified accrual basis  
of accounting in the governmental funds but in the Statement of  
Activities, property tax revenue is reported under the accrual method.  
The balance in deferred property tax revenue in the governmental  
funds as a liability is: 94,000

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

Bonds payable	\$ (160,000)	
Accrued interest payable	(4,702)	
Accrued vacation	(571)	
	<u>          </u>	<u>(165,273)</u>

**Total Net Assets - Governmental Activities** **\$ 3,850,888**

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

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

**Town of Wayne, Maine**

**For the Year Ended June 30, 2011**

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>			
Taxes			
Property	\$ 2,488,675	\$ -	\$ 2,488,675
Excise	200,523	-	200,523
Intergovernmental	156,268	-	156,268
Miscellaneous	31,747	8,898	40,645
<b>Total Revenues</b>	<u>2,877,213</u>	<u>8,898</u>	<u>2,886,111</u>
<b>Expenditures</b>			
Current			
General government	254,315	-	254,315
Public safety	61,680	-	61,680
Health and welfare	31,178	-	31,178
Recreation and culture	17,623	15,878	33,501
Education	1,587,023	-	1,587,023
Public works	479,659	-	479,659
Unclassified	205,461	-	205,461
Debt service - principal	80,000	-	80,000
- interest	8,587	-	8,587
Capital outlay	43,314	-	43,314
<b>Total Expenditures</b>	<u>2,768,840</u>	<u>15,878</u>	<u>2,784,718</u>
<b>Revenues Over (Under) Expenditures</b>	108,373	(6,980)	101,393
<b>Other Financing Sources (Uses)</b>			
Operating transfers in	-	450	450
Operating transfers out	(450)	-	(450)
<b>Total Other Financing Sources (Uses)</b>	<u>(450)</u>	<u>450</u>	<u>-</u>
<b>Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	107,923	(6,530)	101,393
Fund balances at beginning of year	<u>1,189,359</u>	<u>64,324</u>	<u>1,253,683</u>
<b>Fund Balances at End of Year</b>	<u>\$ 1,297,282</u>	<u>\$ 57,794</u>	<u>\$ 1,355,076</u>

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

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

**Town of Wayne, Maine**

**As of June 30, 2011**

**Net Change in Fund Balances - Total Governmental Funds** **\$ 101,393**

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

Governmental funds report capital asset additions as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense differed from capital asset additions in the current period:

Capital asset additions	\$ 43,368	
Depreciation expense	<u>(165,969)</u>	(122,601)

Property tax revenues are presented on the modified accrual basis of accounting in the governmental funds but in the Statement of Activities, property tax revenue is reported under the accrual method.

The current year change in deferred property tax revenue reported in the governmental funds and not in the statement of activities is: 13,000

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

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. This is the principal portion of debt service payments in the current period: 80,000

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

Change in accrued interest payable	2,442	
Change in accrued vacation	<u>32</u>	<u>2,474</u>

**Change in Net Assets of Governmental Activities** **\$ 74,266**

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

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

**Town of Wayne, Maine**

**For the Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Budgetary Basis	Final Budget Positive (Negative)
<b>Revenues</b>				
Taxes				
Property	\$ 2,499,619	\$ 2,499,619	\$ 2,488,675	\$ (10,944)
Excise	165,000	165,000	200,523	35,523
Intergovernmental				
State revenue sharing	55,000	55,000	65,112	10,112
Local road assistance	29,000	29,000	34,476	5,476
Other	23,709	23,709	26,847	3,138
Miscellaneous	-	-	30,062	30,062
<b>Total Revenues</b>	<b>2,772,328</b>	<b>2,772,328</b>	<b>2,845,695</b>	<b>73,367</b>
<b>Expenditures</b>				
Current				
General government	267,689	267,689	254,315	13,374
Public safety	70,916	70,916	61,680	9,236
Health and welfare	30,756	30,756	26,861	3,895
Recreation and culture	16,500	16,500	15,811	689
Education	1,587,023	1,587,023	1,587,023	-
Public works	578,821	578,821	474,238	104,583
Unclassified	205,532	205,532	205,461	71
Debt service - principal	80,000	80,000	80,000	-
- interest	8,525	8,525	8,587	(62)
Capital outlay	-	-	-	-
<b>Total Expenditures</b>	<b>2,845,762</b>	<b>2,845,762</b>	<b>2,713,976</b>	<b>131,786</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(73,434)</b>	<b>(73,434)</b>	<b>131,719</b>	<b>205,153</b>
<b>Other Financing Sources (Uses)</b>				
Operating transfers in	-	-	-	-
Operating transfers out	-	-	(450)	(450)
Transfers from assigned fund balances	65,000	65,000	65,000	-
Transfers to assigned fund balances	(24,000)	(53,644)	(54,157)	(513)
Utilization of assigned fund balance	71,358	71,358	-	(71,358)
Utilization of unassigned fund balance	25,000	54,644	-	(54,644)
<b>Total Other Financing Sources (Uses)</b>	<b>137,358</b>	<b>137,358</b>	<b>10,393</b>	<b>(126,965)</b>
<b>Revenues and Other Sources Over (Under) Expenditures and Other Uses on the Budgetary Basis</b>	<b>\$ 63,924</b>	<b>\$ 63,924</b>	<b>142,112</b>	<b>\$ 78,188</b>
Budgetary fund balance at beginning of year			809,426	
<b>Budgetary Fund Balance at End of Year</b>			<b>\$ 951,538</b>	

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

## Notes to Financial Statements

### Town of Wayne, Maine

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

The Town of Wayne, Maine was incorporated in 1798 and currently operates under a Selectboard - Town Manager form of government. The accounting policies of the Town of Wayne conform to generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. The more significant accounting policies established in GAAP and used by the Town are discussed below.

#### Principles Determining Scope of Reporting Entity

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

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

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

#### Basis of Presentation

##### Government-wide Financial Statements

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

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

## Notes to Financial Statements - Continued

### Town of Wayne, Maine

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

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the Government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

#### Fund Financial Statements

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

#### Governmental Activities

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

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

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

#### Government-wide Fund Net Assets

Government-wide net assets are divided into three components:

*Invested in capital assets, net of related debt* - consist of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.

*Restricted net assets* - consist of net assets that are restricted by the Town's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.

*Unrestricted* - All other net assets are reported in this category.

## Notes to Financial Statements - Continued

### Town of Wayne, Maine

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

##### Governmental Fund Balances

In the governmental fund financial statements, fund balances are classified as follows:

*Nonspendable* – resources which cannot be spent because they are either a) not in spendable form or; b) legally or contractually required to be maintained intact.

*Restricted* – resources with constraints placed on use of resources are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

*Committed* – resources which are subject to limitations the government imposes upon itself at its highest level of design making, and that remain binding unless removed in the same manner.

*Assigned* – resources neither restricted or committed for which a government has a stated intended use as established by the Selectboard or a body or official to which the Selectboard has delegated authority to assign amounts for specific purposes.

*Unassigned* – resources which cannot be properly classified in one of the other four categories.

##### Use of Restricted Resources

The Town has no formal fund balance policy. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance and lastly unassigned fund balance.

##### New Accounting Pronouncement

During the year ended June 30, 2011 the Town implemented Governmental Accounting Standards Board Statement (GASBS) No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions*. Certain prior year fund balance amounts have been restated to reflect the provisions of GASBS No. 54.

## Notes to Financial Statements - Continued

### Town of Wayne, Maine

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

##### Accrual

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

##### Modified Accrual

Governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt is recognized when due.

##### Cash and Cash Equivalents

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

##### Inventories

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

##### Capital Assets

In the government-wide financial statements, capital assets purchased or acquired with an original cost of \$10,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line method. Estimated useful lives are as follows: buildings and improvements, 20 to 40 years; infrastructure, 5 to 50 years; and vehicles and equipment, 3 to 25 years.

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

## Notes to Financial Statements - Continued

### Town of Wayne, Maine

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

##### Budget

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

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

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

The Town does not adopt budgets for special revenue funds.

##### Estimates

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

##### Interfund Activity

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

## Notes to Financial Statements - Continued

### Town of Wayne, Maine

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

##### Long-Term Obligations

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

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

##### Debt Issuance Costs

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

##### Revenue Recognition - Property Taxes

The Town's property tax for the current year was levied August 3, 2010, on the assessed value listed as of April 1, 2010, for all real and personal property located in the Town. Taxes were due October 1, 2010, January 31, 2011 and April 1, 2011. Interest on unpaid taxes commenced on October 2, 2010, February 1, 2011 and April 2, 2011 at 7.00% 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 \$63,924 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.

## Notes to Financial Statements - Continued

### Town of Wayne, Maine

#### Note B - Cash

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

#### Custodial Credit Risk

At June 30, 2011, the carrying amount of the Town's deposits was \$1,401,270 and the bank balance was \$1,403,452. The difference between the carrying amount and the bank balance relates to deposits in transit, outstanding checks and cash on hand at year-end.

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy on custodial credit risk. At June 30, 2011, none of the Town's bank balance was exposed to credit risk.

#### Certificates of Deposit

Certificates of deposits totaling \$14,708 are included in cash in the accompanying financial statements. The certificates bear interest at 0.10 percent and have a maturity of nine months. Any penalties for early withdrawal would not have a material effect on the financial statements.

## Notes to Financial Statements - Continued

### Town of Wayne, Maine

#### Note C - Capital Assets

A summary of capital asset activity for the year ended June 30, 2011, follows:

	Beginning <u>Balance</u>	<u>Additions</u>	Retirements/ <u>Completed</u>	Ending <u>Balance</u>
<b>Governmental Activities:</b>				
Non-Depreciable Assets:				
Land	\$ 705,000	\$ -	\$ -	\$ 705,000
Construction in progress	-	4,720	-	4,720
Depreciable Assets:				
Buildings	654,914	-	-	654,914
Equipment	420,891	-	-	420,891
Infrastructure				
Roads	4,482,051	38,648	-	4,520,699
Dams	<u>574,240</u>	<u>-</u>	<u>-</u>	<u>574,240</u>
Totals at historical cost	6,837,096	43,368	-	6,880,464
Less Accumulated Depreciation:				
Buildings	341,356	15,204	-	356,560
Equipment	289,013	29,020	-	318,033
Infrastructure				
Roads	3,304,903	110,260	-	3,415,163
Dams	<u>212,138</u>	<u>11,485</u>	<u>-</u>	<u>223,623</u>
Total accumulated depreciation	<u>4,147,410</u>	<u>165,969</u>	<u>-</u>	<u>4,313,379</u>
Capital Assets, Net	<u>\$ 2,689,686</u>	<u>\$(122,601)</u>	<u>\$ -</u>	<u>\$ 2,567,085</u>

Depreciation expense was charged to the following functions:

General government	\$ 13,753
Public safety	34,770
Recreation and culture	6,476
Public works	<u>110,970</u>
Total governmental activities depreciation expense	<u>\$ 165,969</u>

**Notes to Financial Statements - Continued**

**Town of Wayne, Maine**

**Note D - 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>	<u>Net Internal Balances</u>
<b>Governmental Activities</b>			
<u>General Fund:</u>			
Trust Fund:			
Ladd Special	\$ -	\$ (1,500)	\$ (1,500)
<u>Trust Fund:</u>			
General Fund	1,500	-	1,500
<b>Total Governmental Activities</b>	<u>\$ 1,500</u>	<u>\$ (1,500)</u>	<u>\$ -</u>

All interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

**Note E - Interfund Transfers**

Interfund transfers for the year ended June 30, 2011 consisted of the following amounts:

	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Net Transfers</u>
<b>Governmental Activities</b>			
<u>General Fund:</u>			
<i>Other Governmental Funds:</i>			
Playground	\$ -	\$ (450)	\$ (450)
<u>Other Governmental Funds:</u>			
<i>Trust Funds:</i>			
General Fund:	450	-	450
<b>Total Interfund Transfers</b>	<u>\$ 450</u>	<u>\$ (450)</u>	<u>\$ -</u>

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

**Notes to Financial Statements - Continued**

**Town of Wayne, Maine**

**Note F - Long-Term Liabilities**

Long-term liability activity for the year ended June 30, 2011, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due within One Year</u>
<b>Governmental Activities:</b>					
General obligation debt	\$ 240,000	\$ -	\$ 80,000	\$ 160,000	\$ 80,000
Compensated absences	603	-	32	571	143
<b>Total Governmental</b>	<u>\$ 240,603</u>	<u>\$ -</u>	<u>\$ 80,032</u>	<u>\$ 160,571</u>	<u>\$ 80,143</u>

The following is a summary of debt outstanding at June 30, 2011:

General Long-Term Debt:

\$300,000 - 2002 Municipal Bond with the Maine Municipal Bond Bank. Due in annual installments of \$30,000 plus semi-annual interest payments through November of 2012. Interest begins at 2.5% and escalates to 3.45% over the term of the bond.	\$ 60,000
\$250,000 - 2007 General Obligation Bond with Androscoggin Savings Bank. Due in annual installments of \$50,000 plus interest at 4.64% through July 2012.	<u>100,000</u>
	<u>\$ 160,000</u>

The annual requirements to amortize debt payable are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 80,000	\$ 6,181	\$ 86,181
2013	80,000	2,844	82,844
	<u>\$ 160,000</u>	<u>\$ 9,025</u>	<u>\$ 169,025</u>

Notes to Financial Statements - Continued

Town of Wayne, Maine

Note G - Fund Balance

Fund balance consisted of the following as of June 30, 2011:

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Fund Balances:</b>			
Restricted fund balance:			
Jaworski Fund	\$ -	\$ 1,121	\$ 1,121
Ladd Recreation	-	25,804	25,804
Ruth Lee	-	8,404	8,404
Ladd Special	-	22,465	22,465
Assigned fund balance:			
Fire Ponds	1,633	-	1,633
Comprehensive Plan	125	-	125
Maine State Pre-ambulate	966	-	966
ADA Compliance	1,450	-	1,450
Animal Control	2,244	-	2,244
Transfer Station	73,572	-	73,572
Pandemic Supplies	5,000	-	5,000
Voting Machine	6,500	-	6,500
Conservation Committee	812	-	812
Roads	258	-	258
Fire Truck	251,414	-	251,414
Sand and Salt Shed	4,416	-	4,416
Snowmobile	4,997	-	4,997
Wayne Rescue	200	-	200
Footbridge	9,831	-	9,831
Paving	6,855	-	6,855
Town House	10,606	-	10,606
Building Maintenance	140	-	140
Fire Station Addition	1,592	-	1,592
Municipal Engineering Building Analysis	800	-	800
Lord Road Paving	32,625	-	32,625
Hardscrabble Road Upgrade	2,811	-	2,811
Farmer's Market	320	-	320
Lovejoy Pond Dam	18,880	-	18,880
Unassigned fund balance	859,235	-	859,235
<b>Total Fund Balances</b>	<u>\$ 1,297,282</u>	<u>\$ 57,794</u>	<u>\$ 1,355,076</u>

## Notes to Financial Statements - Continued

### Town of Wayne, Maine

#### Note H - Change in General Fund Assigned Fund Balance

The following summarizes the change in assigned fund balance for the year ended June 30, 2011:

	Beginning <u>Balance</u>	Budgeted <u>Appropriation</u>	<u>Revenues</u>	<u>Expenditures</u>	Ending <u>Balance</u>
Fire Ponds	\$ 1,633	\$ -	\$ -	\$ -	\$ 1,633
Comprehensive Plan	125	-	-	-	125
Maine State Pre-ambulate	966	-	-	-	966
ADA Compliance	1,450	-	-	-	1,450
Animal Control	1,483	2,500	761	(2,500)	2,244
Transfer Station	53,665	105,298	-	(85,391)	73,572
Pandemic Supplies	5,000	-	-	-	5,000
Voting Machine	6,500	-	-	-	6,500
Conservation Committee	536	400	-	(124)	812
Roads	65,189	(65,000)	69	-	258
Fire Truck	240,151	10,000	1,263	-	251,414
Sand and Salt Shed	4,422	-	-	(6)	4,416
Land/Bldg	(10,050)	11,044	1	(995)	-
Snowmobile	4,146	-	851	-	4,997
Wayne Rescue	200	-	-	-	200
Footbridge	8,331	1,500	-	-	9,831
Paving	11,757	-	-	(4,902)	6,855
Town House	11,425	-	-	(819)	10,606
Building Maintenance	147	-	-	(7)	140
Fire Station Addition	1,592	-	-	-	1,592
Municipal Engineering					
Building Analysis	800	-	-	-	800
Lord Road Paving	33,145	-	-	(520)	32,625
Hardscrabble Road					
Upgrade	7,419	5,000	28,986	(38,594)	2,811
Farmer's Market	616	-	365	(661)	320
Lovejoy Pond Dam	-	23,600	-	(4,720)	18,880
Cemetery Stone Cleaning	643	3,013	-	(3,656)	-
<b>Totals</b>	<u>\$ 451,291</u>	<u>\$ 97,355</u>	<u>\$ 32,296</u>	<u>\$ (142,895)</u>	<u>\$ 438,047</u>

## Notes to Financial Statements - Continued

### Town of Wayne, Maine

#### Note I - Restatement of General Fund Beginning Fund Balance

On July 1, 2010, the Town adopted the provisions of Government Accounting Standards Board Statement 54, *Fund Balance Reporting and Government Fund Type Definitions*. Beginning General Fund fund balance has been restated as follows:

General Fund fund balance as reported June 30, 2010	\$ 809,426
Funds formerly reported as Special Revenue funds collapsed into the General Fund as a result of GASBS No. 54 implementation:	
Fire Truck	240,151
Roads	65,189
Sand and Salt Shed	4,422
Land/Bldg	(10,050)
Snowmobile	4,146
Wayne Rescue	200
Footbridge	8,331
Paving	11,757
Town House	11,425
Building Maintenance	147
Fire Station Addition	1,592
Municipal Engineering Building Analysis	800
Lord Road Paving	33,145
Hardscrabble Road Update	7,419
Farmer's Market	616
Lovejoy Pond Dam	-
Cemetery Stone Cleaning	643
<b>General Fund Beginning Fund Balance as restated</b>	<b><u>\$ 1,189,359</u></b>

## Notes to Financial Statements - Continued

### Town of Wayne, Maine

#### Note J - Budget to Actual Reconciliation

An explanation of the differences between budgetary inflows and outflows and revenues and expenditures determined in accordance with general accepted accounting principles follows:

##### **Budgetary Basis:**

Revenues and Other Sources Over (Under) Expenditures and Other Uses      \$      142,112

##### *Sources/inflows of resources - reconciling items*

The Town does not budget for revenues received in assigned fund balance accounts:

Intergovernmental revenue	29,836
Interest income	1,320
Miscellaneous revenue	365

Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes      (65,000)

##### *Uses/outflows of resources - reconciling items*

The Town does not budget to use assigned fund balance amounts which have been expended during the current year:

Land/Bldg	(995)
Lovejoy Pond Dam	(4,720)
Town House	(819)
Paving	(4,902)
Cemetery Stone Cleaning	(3,656)
Lord Road Paving	(520)
Hardscrabble Road Upgrade	(38,594)
Farmer's Market	(661)

Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes      54,157

##### **Generally Accepted Accounting Principles Basis:**

Revenues and Other Sources Over (Under) Expenditures and Other Uses      \$ 107,923

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

### **Town of Wayne, Maine**

#### **Note K - Risk Management**

The Town is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, and natural disasters for which the Town either carries commercial insurance, or is effectively self-insured. Currently, the Town carries commercial insurance for any risks of loss to which it may be exposed.

Based on the coverage provided by commercial insurance purchased, the Town is not aware of any material actual or potential claim liabilities, which should be recorded at June 30, 2011.

#### **Note L - Commitment with Related Party**

The Town has entered into two contracts for winter road snow removal with the deputy road commissioner for the years ended June 30, 2012 and 2013. The annual cost of each contract is approximately \$144,000 and \$147,000, respectively

#### **Note M - Deferred Compensation Plan**

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan is administered by the International City Management Association Retirement Corporation (ICMARC). The plan, available to all Town employees, permits the employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

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

The Town matches participants' contributions to the plan up to 5.0% of the individual participants' compensation. The Town contributed approximately \$2,500 for the year ended June 30, 2011.

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

**Town of Wayne, Maine**

**As of June 30, 2011**

Assets	Playground	Jaworski Fund	Ladd Recreation	Ruth Lee	Ladd Special	Total
Cash	\$ -	\$ 1,121	\$ 25,804	\$ 8,404	\$ 20,965	\$ 56,294
Due from other funds	-	-	-	-	1,500	1,500
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ 1,121</b>	<b>\$ 25,804</b>	<b>\$ 8,404</b>	<b>\$ 22,465</b>	<b>\$ 57,794</b>
<b>Liabilities and Fund Balances (Deficit)</b>						
<b>Liabilities</b>						
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances</b>						
Restricted	-	1,121	25,804	8,404	22,465	57,794
<b>Total Fund Balances</b>	<b>-</b>	<b>1,121</b>	<b>25,804</b>	<b>8,404</b>	<b>22,465</b>	<b>57,794</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ -</b>	<b>\$ 1,121</b>	<b>\$ 25,804</b>	<b>\$ 8,404</b>	<b>\$ 22,465</b>	<b>\$ 57,794</b>

See accompanying independent auditors' report.

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

**Town of Wayne, Maine**

**For the Year Ended June 30, 2011**

	Playground	Jaworski Fund	Ladd Recreation	Ruth Lee	Ladd Special	Total
<b>Revenues</b>						
Contributions	\$ -	\$ -	\$ 8,304	\$ -	\$ 500	\$ 8,804
Interest	-	-	37	13	44	94
<b>Total Revenues</b>	-	-	8,341	13	544	8,898
<b>Expenditures</b>						
	-	5	15,873	-	-	15,878
<b>Revenues Over (Under) Expenditures</b>	-	(5)	(7,532)	13	544	(6,980)
<b>Other Financing Sources (Uses)</b>						
Operating transfers in	450	-	-	-	-	450
<b>Total Other Financing Sources (Uses)</b>	450	-	-	-	-	450
<b>Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	450	(5)	(7,532)	13	544	(6,530)
Fund balances (deficit) at beginning of year	(450)	1,126	33,336	8,391	21,921	64,324
<b>Fund Balances at End of Year</b>	\$ -	\$ 1,121	\$ 25,804	\$ 8,404	\$ 22,465	\$ 57,794

See accompanying independent auditors' report.

Schedule of Valuation, Assessment and Collection of Taxes

Town of Wayne, Maine

For the Year Ended June 30, 2011

**Valuation**

Real estate		\$	177,242,900
Personal property			<u>665,900</u>
	<b>Total Valuation</b>	\$	<u>177,908,800</u>

**Assessment**

Valuation x Rate	\$177,908,800 x .01405	\$	2,499,619
Supplemental taxes			<u>2,054</u>
	<b>Total Assessment Charged to Collector</b>	\$	2,501,673

**Collection and Credits**

Cash collections		2,402,168	
Tax abatements		<u>318</u>	
	<b>Total Collection and Credits</b>	<u>2,402,486</u>	
	<b>2011 Taxes Receivable - June 30, 2011</b>	\$	<u>99,187</u>

See accompanying independent auditors' report.