

TOWN OF SANFORD, MAINE
Annual Financial Report
For The Year Ended June 30, 2010

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Annual Financial Report
For the Year Ended June 30, 2010

Table of Contents

| | | <u>Page Number(s)</u> |
|--|------------------|---------------------------|
| Independent Auditor's Report | | 1-2 |
| Management's Discussion and Analysis | | 3-6 |
| | <u>Statement</u> | |
| Basic Financial Statements: | | |
| Government-wide Financial Statements: | | |
| Statement of Net Assets | 1 | 9 |
| Statement of Activities | 2 | 10 |
| Fund Financial Statements: | | |
| Balance Sheet - Governmental Funds | 3 | 11 |
| Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds | 4 | 12 |
| Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities | 5 | 13 |
| Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund | 6 | 14 |
| Statement of Fiduciary Net Assets - Fiduciary Funds | 7 | 15 |
| Statement of Changes in Fiduciary Net Assets - Fiduciary Funds | 8 | 16 |
| Notes to Financial Statements | | 17-33 |
| Required Supplementary Information | | 34 |
| | <u>Exhibit</u> | |
| Combining and Individual Fund Statements: | | |
| General Fund: | | |
| Comparative Balance Sheets | A-1 | 37 |
| Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual | A-2 | 38-41 |
| All Other Governmental Funds: | | |
| Combining Balance Sheet | B-1 | 45 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances | B-2 | 46 |
| Nonmajor Special Revenue Funds: | | |
| Combining Balance Sheet | C-1 | 49-53 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances | C-2 | 54-58 |
| Nonmajor Capital Project Funds: | | |
| Combining Balance Sheet | D-1 | 61-63 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances | D-2 | 64-66 |
| Nonmajor Permanent Funds: | | |
| Combining Balance Sheet | E-1 | 69 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances | E-2 | 70 |
| Private-purpose Trust Funds: | | |
| Combining Statement of Fiduciary Net Assets - Private-purpose Trust | F-1 | 73 |
| Combining Statement of Changes in Fiduciary Net Assets | F-2 | 74 |
| Statement of Changes in Assets and Liabilities – Fiduciary Funds – Agency Funds | F-3 | 75 |



Certified Public Accountants and Business Consultants

Independent Auditor's Report

Town Council
Town of Sanford, 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 Sanford, Maine as of and for the year ended June 30, 2010, 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 Sanford, Maine'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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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, each major fund, and the aggregate remaining fund information of the Town of Sanford, Maine, as of June 30, 2010, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated January 21, 2011, on our consideration of the Town of Sanford, Maine's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedule of funding progress, as listed in the table of contents, 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 regarding 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 Sanford, Maine'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. They 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.



January 21, 2011
South Portland, Maine

TOWN OF SANFORD, MAINE
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2010

As management of the Town of Sanford, Maine, we present this narrative to provide you with an overview and analysis of our annual financial statements for the year ending June 30, 2010. This is the Town's seventh year of Statement No. 34 of the Governmental Accounting Standards Board (GASB) *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. This information in conjunction with the notes to the financial statements found on pages 17-33, can be considered when reading the Town's financial statements.

What does the Town of Sanford's GASB 34 implementation mean to you as a reader of these financial statements and supporting required supplementary information? In short, the standard migrates governmental reporting closer to the private sector model, which is more familiar to readers of financial statements and allows for: Greater Fiscal Accountability (raising and spending of public monies) and Greater Operational Accountability (demonstrating the efficiency and effectiveness of government).

Financial Highlights

- Total assets of the Town of Sanford exceeded its liabilities by \$60,703,148. The governmental activities statement showed a decrease of net assets of \$80,753 for the fiscal year.
- The ending fund balance for all governmental funds combined was \$14,696,636.
- The ending fund balance for the general fund was \$9,050,307, an increase of \$101,408 over last year. The Town, excluding the School, has an expendable balance of \$9,182,450 of which \$1,308,224 is designated to on-going capital projects or the subsequent year budget. This leaves an undesignated balance of \$7,874,226 – which is an adequate surplus. The School Department had an undesignated deficit of \$869,717. After adding back \$3,736,996 for the accrual for teacher summer salaries, which is not accrued on a budgetary basis the School Department, would have a positive fund balance of \$2,867,279.

Overview of the Financial Statement

This discussion and analysis is intended to serve as an introduction to the Town of Sanford's basic financial statements. The Town's financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements:

The *government-wide financial statements* provide a broad overview of the Town of Sanford's finances. Financial information is presented in two statements – *Statement of Net Assets* and *Statement of Activities*.

The ***Statement of Net Assets*** presents information about the Town's assets and liabilities, with the difference between the two reported as *net assets*. Over time, changes in net assets (increases or decreases) may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The ***Statement of Activities*** presents information about how the Town's net assets have changed during the fiscal year. All changes in net assets are reported as soon as the change or event occurs, regardless of the timing of related cash requirements. This means that revenues and expenses are reported in this statement even if the resulting cash related movement does not occur until future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

TOWN OF SANFORD, MAINE
Management's Discussion and Analysis, Continued

Both of the statements distinguish between activities of the Town that are principally supported by taxes and intergovernmental revenues (*governmental activities*) and those activities that recover all, or a significant portion of their costs through user fees and charges (*business-type activities*). Governmental activities include general administration, public safety (police, ambulance and fire), public works, (highway and solid waste disposal), library, recreation programs, county tax, education, charitable aid, cemetery care, debt service and capital maintenance expenses. The Town currently reports no business-type activities.

The government-wide financial statements can be found on pages 9 and 10.

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 Sanford, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the Town can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds are used to report most of the Town's basic operational services. Operating expenses and revenues are recorded and the cumulative leftover balance of these activities, which is available for spending in subsequent years, is reported here. These funds are reported using an accounting method called *modified accrual*, 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 can help to determine what financial resources are available in the near future to finance the Town's activities. The governmental funds financial statements can be found on pages 11 and 12.

Fiduciary funds are used to account for monies held for the benefit of parties outside the Town. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Town of Sanford's operational programs. The Town of Sanford is trustee for a number of funds, the majority of which are scholarships. The fiduciary funds financial statements can be found on pages 15 and 16.

Proprietary funds are used to report activities that are charged to customers for services provided by the Town. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. The Town currently has no propriety funds.

Notes to the financial statements – the notes provide additional information that is essential to a full understanding of the data provided and can be found on pages 17-33.

Other Information – The combining and individual fund statements of non-major governmental funds are presented immediately following the notes to the financial statements. These schedules can be found on pages 37-75.

TOWN OF SANFORD, MAINE
Management's Discussion and Analysis, Continued

Statement of Net Assets information

The following information is a condensed version of the Statement of Net Assets. The analysis below focuses on the net assets of the Town's governmental activities.

| <u>Governmental Activities</u> | | |
|--------------------------------|----------------------|-------------------|
| | <u>2010</u> | <u>2009</u> |
| Current & Other Assets | \$ 22,637,367 | \$ 22,097,107 |
| Capital Assets, net | 59,204,447 | 53,894,310 |
| Total Assets | 81,841,814 | 75,991,417 |
| | | |
| Long-term Debt Outstanding | 12,750,819 | 8,096,196 |
| Other Liabilities | 8,387,847 | 7,111,320 |
| Total Liabilities | 21,138,666 | 15,207,516 |
| | | |
| Net Assets : | | |
| Invested in capital assets | | |
| net related debt: | 48,200,736 | 48,277,562 |
| Restricted - other purposes | 968,562 | 917,472 |
| Unrestricted | 11,533,860 | 11,588,867 |
| Total Net Assets | \$ 60,703,158 | 60,783,901 |

The Town of Sanford's net assets decreased \$80,753 during the fiscal year. Net program expenses for total primary government totaled \$71,505,197 to which \$40,911,506 of total program revenues are applied for a net decrease of \$30,593,691. (See statement 2, page 10 for a detail breakdown by program unit). This overall, Town-wide decrease takes into account all expense and revenue activity, which resulted in a decrease to net assets.

Financial Analysis of the Government's Funds

The Town of Sanford uses fund accounting to segregate specific types of funds/projects and demonstrate compliance with related legal requirements. Town-wide fund balances can be seen on Statement 4, page 12.

Governmental funds - The focus of the Town of Sanford governmental funds is to provide information on fiscal activity and balances of available resources. Each year the result of the expenses less revenues received is added to the beginning fund balance and any unreserved portion is available for spending at the government's discretion. As indicated in the *Financial Highlights* the Town of Sanford's governmental funds reported a combined ending fund balance of \$14,696,636.

The *general* fund balance is \$9,050,307, which is an increase of \$101,408 over fiscal 2009. After accrued teacher summer salaries are reversed the balance is \$12,787,303. Of this balance \$658,224 is designated for a number of carry forward projects unfinished at year-end and an additional \$1,387,574 is designated toward the subsequent year budget. The undesignated balance is \$7,004,509. For detail comparing budget to actual expense see Statement 6 on page 14.

Although the Town had positive budget variances in both revenues and expenditures totaling \$2,049,071 (Statement 6), the Town did not utilize any of the fund balance toward the capital plan or to offset the 2010 commitment, resulting in an increase in the general fund balance of \$101,408 from the prior year after adjusting the teacher summer salary accrual. The ending fund balance at June 30, 2010 is considered well within a healthy range.

Other Governmental Funds balance of \$5,646,329 reflects composite balances of a number of other School and Town special revenue funds, capital projects funds and permanent funds.

TOWN OF SANFORD, MAINE
Management's Discussion and Analysis, Continued

Capital Asset and Debt Administration

The Town of Sanford's investment in capital assets for its' governmental-type activities totaled \$59,204,447 as of June 30, 2010. The Town's infrastructure values (roads, bridges, sidewalks, etc.) are included in this total. These assets include land, buildings and improvements, vehicles, machinery, equipment and infrastructure. For a detailed listing of the Town's capital assets and related depreciation see page 24 in the Notes to the Financial Statements.

Major capital assets approved this fiscal year included the following:

- Police Vehicle Replacements
- Fire Department Vehicle Replacement
- Improvements to Dams
- Computers and Computer Upgrades
- Server and Storage Consolidation
- Airport Improvements to include an Airport Sign
- Public Works Equipment and Vehicles
- Town Hall/Annex Improvements to include Energy Improvements
- Road and Sidewalk Reconstruction/Construction Projects
- Trails Construction
- Blouin Field Improvements
- Hard Surface Play Area

Long -term Debt

The Town of Sanford's long-term liabilities at fiscal year end totals \$14,648,079. The long-term liability activity was as follows: bonds and notes payable \$12,086,181, capital leases \$169,638 compensated absences \$1,350,142, other postemployment benefits \$547,118 and landfill postclosure care costs \$495,000. \$1,175,344 is due within one year. It should be noted that the State Department of Education contributes significantly on an annual basis to the payment of school related bond debt. Detailed information of the Town's various outstanding bonds can be viewed in the Notes to Basic Financial Statements on page 25.

State statutes limit the amount of general obligation debt a municipality may issue to 15 percent of the total State's assessed valuation of the Town (\$1,594,100,000). The current debt limitation for the Town of Sanford is \$239,115,000 and Sanford's total debt is well under this limit.

The Town Council and School Committee continue to work at keeping the property tax rate as low as possible and still provide quality services. The rate this year increased .72 mills to 16.42.

Request for Information

This financial report is designed to provide a general overview of the Town of Sanford's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Finance Director, Town of Sanford, Maine, 919 Main Street, Sanford, Maine 04073.

BASIC FINANCIAL STATEMENTS

TOWN OF SANFORD, MAINE
Statement of Net Assets
June 30, 2010

| | Governmental Activities |
|---|------------------------------------|
| ASSETS | |
| Cash and cash equivalents | \$ 18,769,721 |
| Investments | 626,914 |
| Receivables: | |
| Taxes and liens - current year | 1,093,678 |
| Taxes - prior years | 326,233 |
| Tax liens - prior years | 469,806 |
| Accounts, net of allowance | 1,216,349 |
| Inventories | 25,166 |
| Land (held for investment) | 109,500 |
| Capital assets, not being depreciated | 10,784,396 |
| Capital assets, net of accumulated depreciation | 48,420,051 |
| Total assets | 81,841,814 |
| LIABILITIES | |
| Accounts payable and other current liabilities | 2,491,675 |
| Accrued payroll | 3,939,429 |
| Accrued interest | 59,483 |
| Compensated absences payable | 1,350,142 |
| Other post employment benefits | 547,118 |
| Noncurrent liabilities: | |
| Due within one year | 1,175,344 |
| Due in more than one year | 11,575,475 |
| Total liabilities | 21,138,666 |
| NET ASSETS | |
| Invested in capital assets, net of related debt | 48,200,736 |
| Restricted for: | |
| Nonexpendable trust principal | 6,000 |
| Expendable trust principal | 962,562 |
| Unrestricted | 11,533,850 |
| Total net assets | \$ 60,703,148 |

See accompanying notes to financial statements.

TOWN OF SANFORD, MAINE
Statement of Activities
For the year ended June 30, 2010

| Functions/programs | Expenses | Program Revenues | | | Net (expense) revenue and changes in net assets |
|--------------------------------------|----------------------|----------------------|------------------------------------|----------------------------------|---|
| | | Charges for services | Operating grants and contributions | Capital grants and contributions | |
| General government | \$ 5,346,960 | 106,681 | 83,803 | - | (5,156,476) |
| Public services | 1,656,480 | 140,693 | - | - | (1,515,787) |
| Public safety | 7,453,162 | 1,435,542 | - | - | (6,017,620) |
| Public works | 5,401,591 | 154,881 | 216,410 | - | (5,030,300) |
| Education | 42,720,665 | 541,447 | 31,300,147 | - | (10,879,071) |
| County tax | 780,673 | - | - | - | (780,673) |
| Interest on debt | 297,307 | - | - | - | (297,307) |
| Capital expenses | 3,224,232 | - | - | 3,435,640 | 211,408 |
| Other | 4,624,127 | 215,581 | 2,802,962 | 477,719 | (1,127,865) |
| Total governmental activities | \$ 71,505,197 | 2,594,825 | 34,403,322 | 3,913,359 | (30,593,691) |

General revenues:

| | |
|---|-------------------|
| Property taxes, levied for general purposes | 24,535,647 |
| Payments in lieu of taxes | 32,178 |
| Interest and penalties on taxes | 153,195 |
| Excise taxes | 2,578,097 |
| Franchise fees | 151,480 |
| Grants and contributions not restricted to specific programs: | |
| Homestead and BETE exemption | 542,619 |
| Other State aid | 356,922 |
| State Revenue Sharing | 1,842,774 |
| Donations and contributions | 44,302 |
| Unrestricted investment earnings | 233,496 |
| Miscellaneous revenues | 68,287 |
| Loss on disposal of assets | (26,059) |
| Total general revenues | 30,512,938 |

Change in net assets (80,753)

Net assets - beginning 60,783,901

Net assets - ending \$ 60,703,148

See accompanying notes to financial statements.

TOWN OF SANFORD, MAINE
Balance Sheet
Governmental Funds
June 30, 2010

| | General Fund | Other Governmental Funds | Total Governmental Funds |
|--|----------------------|--------------------------------|--------------------------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 13,395,177 | 5,374,544 | 18,769,721 |
| Investments | - | 626,914 | 626,914 |
| Receivables: | | | |
| Taxes receivable - current year | 1,093,678 | - | 1,093,678 |
| Taxes receivable - prior years | 326,233 | - | 326,233 |
| Tax liens - prior years | 469,806 | - | 469,806 |
| Accounts, net of allowance | 513,633 | 702,716 | 1,216,349 |
| Inventory | - | 25,166 | 25,166 |
| Land (held for investment) | - | 109,500 | 109,500 |
| Interfund loans receivable | 47,463 | - | 47,463 |
| Total assets | \$ 15,845,990 | 6,838,840 | 22,684,830 |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities: | | | |
| Accounts payable and payroll withholdings | 1,346,627 | 1,145,048 | 2,491,675 |
| Accrued payroll | 3,939,429 | - | 3,939,429 |
| Interfund loans payable | - | 47,463 | 47,463 |
| Deferred revenues | 1,509,627 | - | 1,509,627 |
| Total liabilities | 6,795,683 | 1,192,511 | 7,988,194 |
| Fund balances: | | | |
| Reserved for: | | | |
| Inventory | - | 25,166 | 25,166 |
| Nonexpendable trust principal | - | 6,000 | 6,000 |
| Unreserved, reported in: | | | |
| General fund - designated | 2,045,798 | - | 2,045,798 |
| General fund - undesignated | 7,004,509 | - | 7,004,509 |
| Special revenue funds | - | 2,105,652 | 2,105,652 |
| Capital projects funds | - | 2,546,949 | 2,546,949 |
| Permanent funds | - | 962,562 | 962,562 |
| Total fund balances | 9,050,307 | 5,646,329 | 14,696,636 |
| Total liabilities and fund balances | \$ 15,845,990 | 6,838,840 | |
| 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 in the funds. | | | 59,204,447 |
| Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds. | | | 1,509,627 |
| Long-term liabilities are not due and payable in the current period and therefore, are not reported in the funds. | | | |
| Bonds and notes payable | | | (12,086,181) |
| Capital leases | | | (169,638) |
| Other post employment benefits | | | (547,118) |
| Accrued interest | | | (59,483) |
| Landfill liability | | | (495,000) |
| Compensated absences | | | (1,350,142) |
| Net assets of governmental activities | | | \$ 60,703,148 |

See accompanying notes to financial statements.

TOWN OF SANFORD, MAINE
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2010

| | General Fund | Other Governmental Funds | Total Governmental Funds |
|--|---------------------|--------------------------------|--------------------------------|
| Revenues: | | | |
| Taxes | \$ 26,932,703 | 479,325 | 27,412,028 |
| Licenses and permits | 1,891,666 | - | 1,891,666 |
| Intergovernmental | 28,658,383 | 11,976,699 | 40,635,082 |
| Charges for services | - | 757,028 | 757,028 |
| Investment income | 137,633 | 95,863 | 233,496 |
| Donations and contributions | - | 44,302 | 44,302 |
| Other | 165,898 | 456,092 | 621,990 |
| Total revenues | 57,786,283 | 13,809,309 | 71,595,592 |
| Expenditures: | | | |
| Current: | | | |
| General government | 5,029,622 | - | 5,029,622 |
| Public services | 1,656,480 | - | 1,656,480 |
| Public safety | 7,245,419 | - | 7,245,419 |
| Public works | 3,484,851 | - | 3,484,851 |
| Education | 36,746,067 | 5,967,314 | 42,713,381 |
| County tax | 780,673 | - | 780,673 |
| Other | 508,529 | 4,115,598 | 4,624,127 |
| Debt service | 1,327,936 | - | 1,327,936 |
| Capital expenditures | 982,285 | 10,703,523 | 11,685,808 |
| Total expenditures | 57,761,862 | 20,786,435 | 78,548,297 |
| Excess (deficiency) of revenues over (under) expenditures | 24,421 | (6,977,126) | (6,952,705) |
| Other financing sources (uses): | | | |
| Transfers in | - | 86,686 | 86,686 |
| Transfers out | (86,686) | - | (86,686) |
| Proceeds from debt | - | 6,458,175 | 6,458,175 |
| Proceeds from capital leases | 163,673 | - | 163,673 |
| Total other financing sources | 76,987 | 6,544,861 | 6,621,848 |
| Net change in fund balances | 101,408 | (432,265) | (330,857) |
| Fund balances, beginning of year | 8,948,899 | 6,078,594 | 15,027,493 |
| Fund balances, end of year | \$ 9,050,307 | 5,646,329 | 14,696,636 |

See accompanying notes to financial statements.

TOWN OF SANFORD, 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, 2010

| | | |
|---|----|-----------|
| Net change in fund balances - total governmental funds (from Statement 4) | \$ | (330,857) |
|---|----|-----------|

Amounts reported for governmental activities in the statement of activities (Statement 2) are different because:

Governmental funds report capital outlays 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 capital outlay (\$8,461,576) exceeded depreciation expense (\$3,125,380) and book value of disposed capital assets (\$26,059).

5,310,137

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

(145,089)

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. This is the increase in accrued interest (\$7,891) and other post employment benefits (\$273,559), and the decrease in accrued compensated absences (\$21,129) and landfill closure costs (\$35,000).

(225,321)

Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which principal payments (\$193,936) exceeded proceeds (\$163,673).

30,263

Bond proceeds provide current financial resources to government funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which proceeds (\$6,458,175) exceeded principal payment (\$1,738,289).

(4,719,886)

| | | |
|--|-----------|-----------------|
| Change in net assets of governmental activities (see Statement 2) | \$ | (80,753) |
|--|-----------|-----------------|

See accompanying notes to financial statements.

TOWN OF SANFORD, MAINE
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the year ended June 30, 2010

| | Budgeted amounts | | Actual | Variance with final budget positive (negative) |
|---|------------------|-------------|------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | \$ 26,844,412 | 26,694,412 | 26,932,703 | 238,291 |
| Licenses, permits and fees | 1,666,631 | 1,666,631 | 1,891,666 | 225,035 |
| Intergovernmental | 25,608,303 | 24,917,781 | 25,226,464 | 308,683 |
| Investment income | 120,000 | 120,000 | 137,633 | 17,633 |
| Other | 147,490 | 147,490 | 165,898 | 18,408 |
| Total revenues | 54,386,836 | 53,546,314 | 54,354,364 | 808,050 |
| Expenditures: | | | | |
| Current: | | | | |
| General government | 4,924,146 | 4,884,076 | 5,029,622 | (145,546) |
| Public services | 1,841,061 | 1,784,707 | 1,656,480 | 128,227 |
| Public safety | 7,192,061 | 6,875,061 | 7,245,419 | (370,358) |
| Public works | 3,903,712 | 3,766,727 | 3,484,851 | 281,876 |
| County tax | 780,673 | 780,673 | 780,673 | - |
| Education | 33,891,896 | 33,888,775 | 33,493,969 | 394,806 |
| Other | 765,771 | 765,771 | 508,529 | 257,242 |
| Capital expenditures | 1,070,030 | 1,488,836 | 818,612 | 670,224 |
| Debt service | 1,352,486 | 1,352,486 | 1,327,936 | 24,550 |
| Total expenditures | 55,721,836 | 55,587,112 | 54,346,091 | 1,241,021 |
| Excess (deficiency) of revenues over (under) expenditures | (1,335,000) | (2,040,798) | 8,273 | 2,049,071 |
| Other financing sources (uses): | | | | |
| Transfers out | - | - | (86,686) | (86,686) |
| Use of designated fund balance | - | 418,806 | - | (418,806) |
| Budgeted use of fund balance - Town | 650,000 | 936,992 | - | (936,992) |
| Budgeted use of fund balance - Education | 685,000 | 685,000 | - | (685,000) |
| Total other financing sources (uses) | 1,335,000 | 2,040,798 | (86,686) | (2,127,484) |
| Net change in fund balance - budgetary basis | - | - | (78,413) | (78,413) |
| Reconciliation to GAAP basis: | | | | |
| Change in teacher summer salaries | | | 179,821 | |
| Net change in fund balance - GAAP basis | | | 101,408 | |
| Fund balance, beginning of year | | | 8,948,899 | |
| Fund balance, end of year | \$ | | 9,050,307 | |

See accompanying notes to financial statements.

TOWN OF SANFORD, MAINE
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2010

| | Private-purpose Trust Funds | Agency Funds |
|----------------------------------|-----------------------------------|-----------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 112,000 | 398,997 |
| Investments | 616,315 | - |
| Total assets | 728,315 | 398,997 |
| LIABILITIES | | |
| Held on behalf of student groups | - | 398,997 |
| Total liabilities | - | 398,997 |
| NET ASSETS | | |
| Held in trust | \$ 728,315 | - |

See accompanying notes to financial statements.

TOWN OF SANFORD, MAINE
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the year ended June 30, 2010

| | Private-purpose Trust Funds |
|--------------------------------|--|
| Additions: | |
| Investment income | \$ 51,066 |
| Donations | 85 |
| Total additions | 51,151 |
| Deductions: | |
| Scholarships/other | 13,045 |
| Total deductions | 13,045 |
| Change in net assets | 38,106 |
| Net assets, beginning of year | 690,209 |
| Net assets, end of year | \$ 728,315 |

See accompanying notes to financial statements.

TOWN OF SANFORD, MAINE
Notes to Basic Financial Statements

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting methods and procedures of the Town of Sanford conform to generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Town's accounting policies are described below.

A. Reporting Entity

In evaluating how to define the reporting entity, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit was made by applying the criteria set forth in accounting principles generally accepted in the United States of America which defines the reporting entity as the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government. Application of this criterion and determination of type of presentation involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. It is the Town's judgment, based on all pertinent facts derived from the analysis of these criteria, that there are no entities that would be considered potential component units within the Town of Sanford that should be included as part of these financial statements.

Related Organizations

The Town's officials are responsible for appointing the members of the Board of Trustees of the Sanford Housing Authority, but the Town's accountability does not extend beyond making the appointments. Thus, the accounts of the Sanford Housing Authority are not included in the accompanying financial statements.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements.

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 has elected not to allocate indirect costs among the programs, functions and segments. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as *general revenues*.

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

TOWN OF SANFORD, MAINE
Notes to Basic Financial Statements, Continued

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current *financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as certain compensated absences and claims and judgments, are recorded only when the payment is due.

Those revenues susceptible to accrual are property taxes, interest, and charges for services. Other receipts and taxes become measurable and available when cash is received by the Town and are recognized as revenue at that time. "On-behalf" payments are recognized as revenue and expenditures upon payment or earlier if the susceptible to accrual criteria are met.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The Town reports the following major governmental fund:

The *general fund* is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Additionally, the Town reports the following fund type:

Fiduciary funds account for assets held by the Town in a trustee capacity or as an agent on behalf of others.

The Town's fiduciary funds include the following fund types:

Private-purpose trust funds are used to account for assets held by the Town under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the Town's own programs.

Agency funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. The funds are used to account for assets that the Town holds for others in an agency capacity.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

TOWN OF SANFORD, MAINE
Notes to Basic Financial Statements, Continued

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

D. Assets, Liabilities, and Net Assets or Equity

1. Deposits and Investments

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term certificates of deposit.

Maine statutes authorize the Town to invest in obligations of the U.S. Treasury, agencies and instrumentalities, certificates of deposit, repurchase agreements, corporate securities, financial institutions stock and other stock investments.

Investments are reported at fair value, except that investments that have a remaining maturity at time of purchase of one year or less are stated at amortized cost. Income earned from the investment of pooled cash is allocable to various funds.

2. Receivables and Payables

All outstanding balances between funds are reported as "interfund loans receivable/payable."

3. Inventory

Inventories are valued at cost using the first-in, first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

4. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, sidewalks, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. The costs of normal repairs and maintenance that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets, if material to the basic financial statements, is included as part of the capitalized value of the assets constructed.

Capital assets of the primary government are depreciated using the straight-line method over the assets' estimated useful lives ranging from 5 to 50 years.

5. Compensated Absences

It is the Town's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. The liability for vacation pay and the buy-out of sick leave is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

TOWN OF SANFORD, MAINE
Notes to Basic Financial Statements, Continued

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

D. Assets, Liabilities, and Net Assets or Equity, continued

6. Long-term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net assets. Bond premiums and discounts, as well as issuance costs if material to basic financial statements, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. 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.

7. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

8. Comparative Data/Reclassifications

Comparative data for the prior year have been presented only for certain funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

9. Use of Estimates

Preparation of the Town's financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent items at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

An annual budget is adopted at the Town Meeting for the General Fund. The budget is prepared substantially in accordance with accounting principles generally accepted in the United States of America, except that the general fund revenues and expenditures related to "on-behalf payments" made by the State of Maine to the Maine Public Employees Retirement System for teachers and certain other school employees and teachers' summer salaries are not budgeted. A reconciliation of amounts determined under accounting principles generally accepted in the United States of America to those presented on a budgetary basis is included on Statement 6. The legal level of control is at the department level. The accounting system is employed as a budgetary management control device to monitor the individual departments.

TOWN OF SANFORD, MAINE
Notes to Basic Financial Statements, Continued

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY, CONTINUED

B. Excess of Expenditures over Appropriations

For the year ended June 30, 2010, expenditures exceeded appropriations in the following categories:

| | | | |
|--------------------------|----------|------------------|---------|
| Town Council | \$ 1,447 | Recreation | 5,006 |
| Administration | 17,668 | Mtn. View Acres | 116 |
| Personnel | 14,143 | Central dispatch | 300,436 |
| Town treasurer | 2,694 | Police - other | 157,033 |
| Town clerk/tax collector | 254 | Adult Education | 1,873 |
| Legal services | 63,514 | St. Thomas | 61 |
| Employee benefits | 122,120 | Other | 7,536 |

C. Deficit Fund Balances

At June 30, 2010, the following funds had deficit fund balances:

| | | | |
|----------------------|----------|-----------------------------|---------|
| Bulletproof Vest | \$ 2,737 | Enhancement Grant | 8,342 |
| ATV Enforcement | 3,952 | B&M Rail Bed Trail | 6,677 |
| Montreal Street | 16,223 | Fagan Mill | 195,255 |
| FEMA 1891 DR ME | 192,386 | Aerofab Mill | 2,108 |
| SSDC | 1,447 | Airport Improvement Program | 504,743 |
| Economic Development | 23,797 | | |

These deficits will be funded by future grant revenue, charges for services or future bond proceeds.

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Custodial credit risk- deposits: 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's policy is to have its deposits covered by F.D.I.C. insurance or by additional insurance purchased on behalf of the Town by the respective banking institution. As of June 30, 2010, none of the Town's bank balance of \$8,518,675 was exposed to custodial credit risk because it was uninsured and uncollateralized. All of the Town's deposits were covered by the F.D.I.C. or by additional insurance purchased on behalf of the Town by the respective banking institutions in the Town's name.

Custodial credit risk- investments – For investments, this is the risk that in the event of failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The Town's policy is to have its deposits covered by F.D.I.C. insurance or by additional insurance purchased on behalf of the Town by the respective banking institution. All of the Town's \$14,284,960 investment in money market and repurchase/sweep agreements was covered by the F.D.I.C. or by additional insurance purchased on behalf of the Town by the respective banking institutions in the Town's name. These are treated as cash equivalents for financial statement purposes.

TOWN OF SANFORD, MAINE
Notes to Basic Financial Statements, Continued

III. DETAILED NOTES ON ALL FUNDS, CONTINUED

A. Deposits and Investments, Continued

At June 30, 2010, the Town had the following investments and maturities:

| | Fair value | Less than 1 year | 1-5 years | More than 5 years |
|-----------------------------|---------------------|---------------------|----------------|----------------------|
| U. S. Government securities | \$ 351,990 | 65,783 | 176,137 | 110,070 |
| Equities/stock | 520,067 | | Not applicable | |
| Mutual funds (1) | 371,172 | | Not applicable | |
| Total investments | \$ 1,243,229 | 65,783 | 176,137 | 110,070 |

(1) Mutual funds are not considered securities and are exempt from credit risk disclosure noted below. Deposits and investments have been reported as follows:

| | |
|--------------------------------|---------------------|
| Reported in governmental funds | \$ 626,914 |
| Reported in fiduciary funds | 616,315 |
| Total investments | \$ 1,243,229 |

Interest Rate Risk: The Town does not have a policy related to interest rate risk.

Credit Risk: Maine statutes authorize the Town to invest in obligations of the U.S. Treasury and U.S. agencies, repurchase agreements and certain corporate stocks and bonds. The Town does not have a formal policy related to credit risk.

B. Receivables

Receivables as of year-end for the Town's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts of \$393,087, are as follows:

| | General fund | Nonmajor funds | Total |
|------------------------------|---------------------|-------------------|------------------|
| Receivables: | | | |
| Taxes | \$ 1,419,911 | - | 1,419,911 |
| Liens | 469,806 | - | 469,806 |
| Accounts | 906,720 | 702,716 | 1,609,436 |
| Allowance | (393,087) | - | (393,087) |
| Net total receivables | \$ 2,403,350 | 702,716 | 3,106,066 |

Governmental funds report *deferred revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the *deferred revenue* is reported in the governmental funds as follows:

| | |
|---|---------------------|
| | <u>Unavailable</u> |
| Delinquent property taxes receivable (general fund) | \$ 1,509,627 |
| Total deferred/unearned revenue for governmental funds | \$ 1,509,627 |

TOWN OF SANFORD, MAINE
Notes to Basic Financial Statements, Continued

III. DETAILED NOTES ON ALL FUNDS, CONTINUED

C. Property Tax

Property taxes for the current year were committed on August 5, 2009, on the assessed value listed as of the prior April 1 for all real and personal property located in the Town. Assessed values are periodically established by the Town's Assessor at 100% of assumed market value. The assessed value represented 98% of the estimated State valuation of \$1,594,100,000.

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 \$264,777 for the year ended June 30, 2010.

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 the tax liens and associated costs remained unpaid.

Property taxes levied during the year were recorded as receivables at the time the levy was made. The receivables collected during the year and in the first sixty days following the end of the fiscal year have been recorded as revenues. The remaining receivables have been recorded as deferred revenues.

The following summarizes the 2010 and 2009 levies:

| | <u>2010</u> | <u>2009</u> |
|------------------------------------|--|--|
| Assessed value | \$1,466,711,550 | 1,515,740,250 |
| Tax rate (per \$1,000) | 16.42 | 15.70 |
| Commitment | 24,083,404 | 23,797,122 |
| <u>Supplemental taxes assessed</u> | <u>1,596</u> | <u>6,115</u> |
| Total levy | 24,085,000 | 23,803,237 |
| Less: | | |
| Abatements | 24,472 | 65,926 |
| TIF property tax revenue | 479,325 | 291,840 |
| Collections | 22,487,525 | 22,265,116 |
| <u>Receivable at end of year</u> | <u>\$ 1,093,678</u> | <u>1,180,355</u> |
| Due date(s) | ½ September 15, 2009 ½ March 15, 2010 | ½ September 15, 2008 ½ March 17, 2009 |
| Interest rate on delinquent taxes | 9.00% | 11.00% |
| Collection rate | 95.36% | 94.97% |

TOWN OF SANFORD, MAINE
Notes to Basic Financial Statements, Continued

III. DETAILED NOTES ON ALL FUNDS, CONTINUED

D. Interfund Receivables, Payables, and Transfers

Individual interfund loans receivable and payable balances and transfers at June 30, 2010 were as follows:

| <u>Fund</u> | <u>Interfund loans receivable</u> | <u>Interfund loans payable</u> | <u>Interfund transfers</u> |
|--------------------------------|---------------------------------------|------------------------------------|--------------------------------|
| General Fund | \$ 47,463 | - | (86,686) |
| Nonmajor Special Revenue Funds | - | 47,463 | 86,686 |
| Totals | \$ 47,463 | 47,463 | - |

The purpose of interfund loans is to charge revenues and expenditures to the appropriate fund when that activity is accounted for through the centralized checking account. The balances represent each fund's portion of the centralized checking account.

E. Capital Assets

Capital asset activity for the year ended June 30, 2010 was as follows:

| | <u>Balance June 30, 2009</u> | <u>Increases</u> | <u>Decreases</u> | <u>Balance June 30, 2010</u> |
|--|--------------------------------------|--------------------|------------------|--------------------------------------|
| Governmental activities: | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | \$ 3,249,001 | 35,029 | - | 3,284,030 |
| Construction in progress | 122,166 | 7,345,200 | - | 7,467,366 |
| Artwork | 33,000 | - | - | 33,000 |
| Total capital assets, not being depreciated | 3,404,167 | 7,380,229 | - | 10,784,396 |
| Capital assets, being depreciated: | | | | |
| Land improvements | 1,076,270 | 17,046 | - | 1,093,316 |
| Buildings and building improvements | 18,319,394 | - | 87,763 | 18,231,631 |
| Machinery and equipment | 7,367,502 | 410,504 | 157,384 | 7,620,622 |
| Vehicles | 5,293,582 | 423,701 | 228,463 | 5,488,820 |
| Library supplies | 1,566,315 | - | - | 1,566,315 |
| Infrastructure | 66,266,260 | 230,096 | - | 66,496,356 |
| Total capital assets being depreciated | 99,889,323 | 1,081,347 | 473,610 | 100,497,060 |
| Less accumulated depreciation for: | | | | |
| Land improvements | 339,526 | 29,772 | - | 369,298 |
| Buildings and building improvements | 8,375,911 | 426,537 | 78,333 | 8,724,115 |
| Machinery and equipment | 4,523,985 | 535,698 | 157,384 | 4,902,299 |
| Vehicles | 2,849,545 | 366,491 | 211,834 | 3,004,202 |
| Library supplies | 725,320 | 104,474 | - | 829,794 |
| Infrastructure | 32,584,893 | 1,662,408 | - | 34,247,301 |
| Total accumulated depreciation | 49,399,180 | 3,125,380 | 447,551 | 52,077,009 |
| Total capital assets being depreciated, net | 50,490,143 | (2,044,033) | 26,059 | 48,420,051 |
| Governmental activities capital assets, net | \$ 53,894,310 | 5,336,196 | 26,059 | 59,204,447 |

TOWN OF SANFORD, MAINE
Notes to Basic Financial Statements, Continued

III. DETAILED NOTES ON ALL FUNDS, CONTINUED

E. Capital Assets, Continued

Depreciation expense was charged to functions/programs of the primary government as follows:

| | |
|---|---------------------|
| Governmental activities: | |
| General government | \$ 54,322 |
| Public safety | 226,648 |
| Public works, including depreciation of general infrastructure assets | 1,978,696 |
| Education | 865,714 |
| Total depreciation expense | \$ 3,125,380 |

F. Long-term Debt

Changes in Long-term Liabilities

Long-term liability activity for the year ended June 30, 2010 was as follows:

| | <u>Beginning balance</u> | <u>Additions</u> | <u>Reductions</u> | <u>Ending balance</u> | <u>Due within one year</u> |
|---------------------------------|------------------------------|------------------|-------------------|---------------------------|--------------------------------|
| Bonds and notes payable | \$ 7,366,295 | 6,458,175 | 1,738,289 | 12,086,181 | 1,054,342 |
| Capital leases | 199,901 | 163,673 | 193,936 | 169,638 | 86,002 |
| Compensated absences | 1,371,271 | - | 21,129 | 1,350,142 | - |
| Other postemployment benefits | 273,559 | 273,559 | - | 547,118 | - |
| Landfill postclosure care costs | 530,000 | - | 35,000 | 495,000 | 35,000 |
| Long-term liabilities | \$ 9,741,026 | 6,895,407 | 1,988,354 | 14,648,079 | 1,175,344 |

Capital Leases

The Town and School Department have lease agreements for office equipment, buses, software, and large equipment. Those leases qualify as capital leases for accounting purposes, and therefore, have been recorded at the present value of future minimum lease payments as of the date of their inception in the government-wide financial statements. The following is a schedule of future minimum lease payments under the capital lease and the present value of the minimum lease payment at June 30, 2010:

| | |
|---|-------------------|
| Fiscal year ending | |
| 2011 | \$ 90,674 |
| 2012 | 56,951 |
| 2013 | 30,490 |
| Total minimum lease payments | 178,115 |
| Less: amount representing interest | 8,477 |
| Present value of future minimum lease payments | \$ 169,638 |

TOWN OF SANFORD, MAINE
Notes to Basic Financial Statements, Continued

III. DETAILED NOTES ON ALL FUNDS, CONTINUED

F. Long-term Debt, Continued

Bonds and Notes Payable

General obligation bonds are direct obligations and pledge the full faith and credit of the Town. These bonds are issued as serial bonds, generally with equal amounts of principal maturing each year. General obligation bonds currently outstanding are as follows:

| | <u>Originally issued</u> | <u>Date of issue</u> | <u>Date of maturity</u> | <u>Interest rate</u> | <u>Balance</u> |
|--|------------------------------|--------------------------|-----------------------------|--------------------------|----------------------|
| Bonds and notes payable: | | | | | |
| Nasson College Academic Building Bonds | \$ 131,000 | 1969 | 2019 | 3.00% | 35,723 |
| School Renovation | 1,000,000 | 2002 | 2012 | 2.50-3.40% | 300,000 |
| School Paving | 600,000 | 2004 | 2014 | 3.019-3.644% | 300,000 |
| School Revolving Loan | 248,175 (2) | 2010 | 2014 | 0.00% | 82,394 |
| Police Station Part 1 | 3,210,000 | 2010 | 2029 | 2.00-5.50% | 3,210,000 |
| Police Station Part 2 | 3,000,000 | 2010 | 2030 | 3.436% | 3,000,000 |
| PW Equipment | 1,310,000 | 2004 | 2011 | 3.019-3.119% | 374,285 |
| PW/Fire 2006 Series B Bonds | 1,100,000 | 2006 | 2016 | 2.00-5.35% | 770,000 |
| School Revolving Loan Fund | 1,000,000 (1) | 2006 | 2016 | 0.00% | 221,900 |
| Airport Improvement | 670,000 | 2006 | 2016 | 1.00-6.00% | 478,572 |
| Roundabout/Millyard | 3,650,000 | 2008 | 2024 | 2.075-5.575% | 3,313,307 |
| Total bonds and notes payable | | | | | \$ 12,086,181 |

(1) The original amount of the note was \$1,000,000, of which \$683,000 was forgiven by the State of Maine.

(2) The original amount of the note was \$248,175 of which \$165,781 was forgiven by the State of Maine.

The annual debt service requirements to amortize bonds and notes payable are as follows:

| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|---------------|----------------------|------------------|-------------------|
| 2011 | \$ 1,054,342 | 422,186 | 1,476,528 |
| 2012 | 1,174,920 | 385,873 | 1,560,793 |
| 2013 | 1,006,170 | 347,146 | 1,353,316 |
| 2014 | 925,065 | 308,101 | 1,233,166 |
| 2015 | 762,985 | 276,824 | 1,039,809 |
| 2016-2020 | 2,603,460 | 1,108,519 | 3,711,979 |
| 2021-2025 | 2,388,759 | 610,822 | 2,999,581 |
| 2026-2030 | 1,969,210 | 181,640 | 2,150,850 |
| 2031-2034 | 201,270 | 3,787 | 205,057 |
| Totals | \$ 12,086,181 | 3,644,898 | 15,731,079 |

TOWN OF SANFORD, MAINE
Notes to Basic Financial Statements, Continued

III. DETAILED NOTES ON ALL FUNDS, CONTINUED

F. Long-term Debt, Continued

In accordance with 30 MRSA, Section 5061, as amended, no municipality shall incur debt for specified purposes in excess of certain percentages of state valuation of such municipality. Additionally, no municipality shall incur debt in the aggregate in excess of 15% of its State assessed valuation. At June 30, 2010, the Town's outstanding debt did not exceed these limits.

Landfill Closure and Postclosure Care Costs

Under State law, Maine communities had until December 31, 1994 to close existing landfills under a Maine Department of Environmental Protection (DEP) approved plan. Prior to 1995, DEP expressed a strong concern over leachate emanating from the former landfill operation at Rushton Street. The landfill was closed in 1982 under a consent decree with DEP and has not accepted waste since that time. A portion of the site continues to be used as a staging area for certain demolition debris and other waste and the Town's transfer station is located adjacent to the closed landfill. The DEP retained, at its expense, an engineering firm to determine the extent of contamination and the estimated cost of remedial actions needed and, in June 1995, issued a Department Order designating the site as an Uncontrolled Hazardous Substance Site and naming the Town as a responsible party. The Town had also retained an engineering firm, which presented the Town a report depicting several remedial options with estimated costs ranging from \$5,000,000 to \$15,000,000.

During fiscal year 1996, negotiations with DEP continued, and in April 1996 DEP approved the Town's "conceptual closure remedy," which was projected to cost \$6,350,000. In addition, annual costs of monitoring the site and of operation and maintenance of the remedy were projected to approximate as much as \$230,000. Based on the approval, the Town recorded a liability of \$10,950,000, representing the initial capital costs and anticipated monitoring costs over a 20 year period, at June 30, 1996.

Authorization for issuance of bonds to be used for financing the project was subject to approval at a Town meeting prior to commencement of the actual remedial activities envisioned by the plan. The November 1996 Town Meeting did not approve the financing of a \$6,350,000 remedy. However, it appropriated funds for a thorough review of alternative remedies and in May 1997, it appropriated \$1,200,000 for final remedial design and construction of a phased-in remedy. Phases one and two, involving the relocation of the waste, grading of the landfill, and installation and improvement of drainage and the monitoring of effects of these improvements, were completed at a cost of approximately \$950,000 during fiscals 1997-1999. In November 1999, the Town agreed to the stipulations contained in an Administrative Order issued by the DEP. This order called for phase three site activities, as well as relocation of a demolition debris staging area. Phase three construction, which started in fiscal 2000, was completed during fiscal 2001 at a cost of approximately \$2,316,000. Funding for phase three of the project was provided by the utilization of \$980,000 of state reimbursement, \$739,000 of funds previously set aside by the Town, and \$597,000 of undesignated surplus approved at the October 12, 1999 Town meeting, which consists of \$147,000 appropriated prior to July 1, 2000 and a supplemental appropriation of approximately \$450,000 during fiscal 2001. Phase three included capping the current construction and demolition debris areas, additional grading, construction of a slurry wall, and installation of extraction wells and pumps.

TOWN OF SANFORD, MAINE
Notes to Basic Financial Statements, Continued

III. DETAILED NOTES ON ALL FUNDS, CONTINUED

F. Long-term Debt, Continued

The Town completed phase three improvements in 2000 and since then, has been operating the landfill remediation system. If the DEP determines that the Town's remedial action has not caused surface water quality to meet the State's Class B surface water standards, the Town and DEP "shall meet to jointly evaluate the technical feasibility of further remediation under this paragraph [paragraph 34 of the Administrative Order], and the Respondent [Town] shall perform further remediation as required by MEDEP subject to" the Order's dispute resolution provisions. Under the terms of the DEP Administrative Order, the Town was to submit a study report by December 31, 2004 to demonstrate the effects that these phased improvements had on water quality in the southern tributary of the Mousam River and discuss with DEP what, if any, additional remediation measures must be undertaken at the Site. That report was submitted and discussions did occur. The testing to date shows significant water quality improvement, but the data also shows that the southern tributary of the Mousam River is exceeding certain water quality parameters. To this date, no additional remediation measures have been determined to be necessary. Data collected up to and including 2007 continue to show that the corrective actions are performing as intended in the remedial design. While it is possible that the Town will be required to spend additional amounts at this site, those amounts, if any, are unknown at this time. In the past it has been stated that it is possible that the ultimate cost of the project may be less than the amounts recorded on the government-wide financial statements if no further remedial actions are necessary, and that no further adjustment to such provision will be reflected until such time as the results of phases one, two, and three discussed above are known. In July 2004, the Town submitted the semi-annual report and in December 2004 the Town submitted the "Remedial Action Evaluation Report" and the 2004 annual report. As of December 31, 2009, the Town has submitted the next scheduled remedial action assessment. The Town continues to perform routine testing and files electronic semi-annual and written annual reports to the MDEP. The most recent report was the "2008 Annual Report," dated February 2009. The reports observed improving water quality as a result of the Town's activities, and the 2008 Annual Report indicates that the corrective actions "are performing as intended by the remedial design." In the event that the stable water quality parameters achieved through the remediation project deteriorate or regulations change, the Town would likely commission additional engineering evaluation and determine the scope and cost of future improvements. Therefore, at June 30, 2010, the Town's recorded liability representing the remaining cost related to closure and post closure is \$455,000. This is based upon 13 additional years of monitoring the site at an annual cost of \$35,000 per year. Actual costs may increase due to the results of monitoring, inflation, changes in technology, or changes in laws and regulations.

In August 1994, a former privately owned landfill operation (Whichers Mill) to which the Town had contributed and directed solid waste was permanently closed. The Town will be responsible for maintaining and monitoring the former landfill site and has recorded such estimated future costs, totaling \$40,000, as a liability in the government-wide financial statements. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

Overlapping Debt

The Town is subject to an annual assessment of its proportional share of York County expenses, including debt repayment, as determined by the percentage of the Town's State valuation to the County's State valuation. At June 30, 2010, the Town's share is 5.07% or \$603,022 of York County's \$11,900,000 long-term debt outstanding as of June 30, 2010.

TOWN OF SANFORD, MAINE
Notes to Basic Financial Statements, Continued

III. DETAILED NOTES ON ALL FUNDS, CONTINUED

G. Fund Balances - Designated for Subsequent Years

Fund balances designated for subsequent years at June 30, 2010 and 2009 consisted of the following:

| | <u>2010</u> | <u>2009</u> |
|---|----------------------------|-------------------------|
| General fund: | | |
| Capital plan | \$ 658,224 | 725,825 |
| Subsequent year's budget - Town | 650,000 | 650,000 |
| School Department | 685,000 | 225,000 |
| Adult education | 52,574 | 26,034 |
| <u>Total designated fund balance</u> | <u>\$ 2,045,798</u> | <u>1,626,859</u> |

H. Fund Balances - Undesignated

At June 30, 2010 and 2009, the General Fund undesignated fund balance consisted of the following:

| | <u>2010</u> | <u>2009</u> |
|---|----------------------------|-------------------------|
| School Department | \$ (869,717) | (417,220) |
| Town | 7,874,226 | 7,739,260 |
| <u>Total undesignated fund balance</u> | <u>\$ 7,004,509</u> | <u>7,322,040</u> |

I. 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 bonds and capital leases payable and adding back any 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. The Town's net assets invested in capital assets, net of related debt was calculated as follows at June 30, 2010:

| | |
|--|-----------------------------|
| | <u>Governmental</u> |
| | <u>activities</u> |
| Capital assets | \$ 111,281,456 |
| Accumulated depreciation | (52,077,009) |
| Bonds payable | (12,086,181) |
| Unspent bond proceeds | 1,252,108 |
| Capital leases | (169,638) |
| <u>Total invested in capital assets net of related debt</u> | <u>\$ 48,200,736</u> |

TOWN OF SANFORD, MAINE
Notes to Basic Financial Statements, Continued

IV. OTHER INFORMATION

A. Risk Management

The Town is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, and natural disasters for which the Town either carries commercial insurance, participates in a public entity risk pool, or is effectively self-insured. Currently, the Town participates in a public entity risk pool sponsored by Maine Municipal Association for workers' compensation. Based on the coverage provided by these pools, as well as 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, 2010.

B. Maine Public Employees Retirement System (Maine PERS) - Consolidated Plan

Description of the Plan - The Town contributes to Maine Public Employees Retirement System Consolidated Plan, a cost sharing multiple-employer public employee retirement system established by the Maine State legislature. The Maine Public Employees Retirement System provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The authority to establish and amend benefit provisions rests with the State Legislature. The Maine Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the Consolidated Plan. That report may be obtained by writing to Maine Public Employees Retirement System, 46 State House Station, Augusta, Maine 04333-0046 or by calling 1-800-451-9800.

Funding Policy - Plan members are required to contribute at rates ranging from 6.5% for the Regular AN Plan and Special #1N Plan to 7.5% for the Special #4N Plan of their annual covered salary and the Town of Sanford is required to contribute an actuarially determined rate. The current rate is 1.5% for the Regular AN Plan, 1.9% for the Special #4N Plan, and 3.6% for the Special #1N Plan of annual covered payroll. The contribution rates of plan members and the Town of Sanford are established and may be amended by the Maine Public Employees Retirement System Board of Trustees. The Town's required contributions to the Maine Public Employees Retirement System Consolidated Plan for the years ended June 30, 2010, 2009 and 2008 were \$274,245, \$303,232, and \$292,312, respectively, were reduced by the credits noted below equal to the required contribution for each year.

Actuarial Asset at Transition - Effective July 1, 1995, the Town joined the Consolidated Plan of the Maine Public Employees Retirement System. Upon entry, the Town ceased to be an individual sponsor of PLD #42 and instead became a participant in the Consolidated Plan. As a participant of the plan, the Town is entitled to its initial unpooled actuarial asset, which resulted from excess funding in the previous plan. At June 30, 2009 (latest available information), the remaining balance was \$2,193,958. The Town has used credits of \$274,245, \$303,232, and \$292,312 for the years ended June 30, 2010, 2009, and 2008, respectively, to reduce contributions to the plan. Such amounts include amortization of the pension assets, together with interest on the asset balance.

TOWN OF SANFORD, MAINE
Notes to Basic Financial Statements, Continued

IV. OTHER INFORMATION, CONTINUED

Maine PERS Teacher's Group

Description of Plan - All school teachers, plus other qualified educators, participate in the Maine Public Employees Retirement System's teacher group. The teacher's group is a cost-sharing plan with a special funding situation, established by the Maine State legislature. The Maine Public Employees Retirement System provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The authority to establish and amend benefit provisions rests with the State Legislature. The Maine Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the Teacher's Group.

Funding Policy - Plan members are required to contribute 7.65% of their compensation to the retirement system. The State of Maine Department of Education is required, by the same statute, to contribute the employer contribution which amounts to \$3,431,919 (17.78%) for the fiscal year 2010. This amount has been reported as an intergovernmental revenue and education expenditure in the statement of activities (Statement 2) and in statement 4 (GAAP basis). There is no contribution required by the School except for federally funded teachers, for which the School contributed 17.78% of their compensation. This cost is charged to the applicable grant.

C. Deferred Compensation Plan

The Town of Sanford offers certain employees a deferred compensation plan created in accordance with Internal Revenue (IRC) Section 457. The plan permits participating 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.

Assets of the plan are placed in trust for the exclusive benefit of participants and their beneficiaries. Accordingly, the assets and the liability for the compensation deferred by plan participants, including earnings on plan assets, are not included in the Town's financial statements.

D. Other Post Employment Benefits

The Governmental Accounting Standards Board (GASB) recently promulgated its Statement 45 which addressed the reporting and disclosure requirements for other post employment benefits (OPEB). GASB Statement 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, was implemented, as required, by the Town of Sanford for the year ended June 30, 2009. Under this pronouncement, it requires that the long-term cost of retirement health care and obligations for other postemployment benefits be determined on an actuarial basis and reported similar to pension plans.

The Town is a member of the Maine Municipal Employees Health Trust. The Trust is a multiple employer Voluntary Employee's Beneficiary Association. The Town is an individually rated member within the Association. The Trust issues a publicly available financial report. That report may be obtained by writing to the Maine Municipal Association at 60 Community Drive, Augusta, ME 04332. The Trust contracted with an outside consultant to assist in the determination and valuation of the Town's OPEB liability under GASB Statement 45. An OPEB liability actuarial valuation was completed by the consultants in May 2009 based on an actuarial valuation date of January 1, 2009.

TOWN OF SANFORD, MAINE
Notes to Basic Financial Statements, Continued

IV. OTHER INFORMATION, CONTINUED

D. Other Post Employment Benefits, continued

Plan Descriptions – In addition to providing pension benefits, the Town provides health care benefits for certain retired employees. Eligibility to receive health care benefits follows the same requirements as MainePERS. Eligible retirees are required to pay 100% of the health insurance premiums to receive health benefit coverage.

Funding Policy and Annual OPEB Cost – GASB Statement 45 does not mandate the prefunding of postemployment benefits liability. The Town currently plans to fund these benefits on a pay-as-you-go basis. No assets have been segregated and restricted to provide postemployment benefits. The annual required contribution (ARC), an actuarial determined rate, represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize unfunded actuarial liabilities over a period not to exceed thirty years.

The following table represents the OPEB costs for the year and the annual required contribution:

| | |
|------------------------------|--------------|
| Normal cost | \$ 113,494 |
| Amortization of unfunded | 154,701 |
| <u>Interest</u> | <u>5,364</u> |
| Annual required contribution | \$ 273,559 |

Net OPEB Obligation – The City’s net OPEB obligation was calculated as follows:

| | |
|-----------------------------------|------------|
| OPEB liability, July 1, 2009 | \$ 273,559 |
| Annual required contribution | 273,559 |
| <u>Less: Actual contributions</u> | <u>-</u> |
| OPEB liability, June 30, 2010 | \$ 547,118 |

Funding Status and Funding Progress – The Town’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year ending June 30, 2010 was as follows:

| | |
|--|--------------|
| Annual required contribution | \$ 273,559 |
| Actual contribution | - |
| Percent contributed | 0.00% |
| | |
| Actuarial accrued liability | \$ 2,782,095 |
| <u>Plan assets</u> | <u>-</u> |
| Unfunded actuarial accrued liability | \$ 2,782,095 |
| Covered payroll | 9,473,582 |
| Unfunded actuarial accrued liability as a percentage of covered payroll | 29.37% |

TOWN OF SANFORD, MAINE
Notes to Basic Financial Statements, Continued

IV. OTHER INFORMATION, CONTINUED

D. Other Post Employment Benefits, continued

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presented as required supplementary information provides multiyear trend information (only two years available) that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions – Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the Town and plan members at that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of plan assets. Significant methods and assumptions were as follows:

| | |
|-------------------------------|------------------|
| Actuarial valuation date | 1/1/09 |
| Actuarial cost method | Entry age normal |
| Amortization method | Level dollar |
| Remaining amortization period | 29 years |

| | |
|----------------------------|-------------|
| Actuarial assumptions: | |
| Investment rate of return | 4.0% |
| Projected salary increases | N/A |
| Healthcare inflation rate | 4.0% - 9.6% |

E. Commitments

The School Department has approved an option for two additional years for school bus transportation that expired in 2009. Expense related to this contract was approximately \$1,222,149 for the year ended June 30, 2010.

TOWN OF SANFORD, MAINE
Required Supplementary Information

Schedule of Funding Progress
Retiree Healthcare Plan

| Fiscal Year | Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) – Entry Age (b) | Unfunded AAL (UAAL) (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | UAAL as a Percentage of Covered Payroll [(b-a) / c] |
|----------------|--------------------------------|--|---|------------------------------------|--------------------------|---------------------------|---|
| 2009 | 1/1/09 | \$ - | \$ 2,782,095 | \$ 2,782,095 | 0.00% | \$ 9,432,963 | 29.49% |
| 2010 | 1/1/09 | - | 2,782,095 | 2,782,095 | 0.00% | 9,473,582 | 29.37% |

COMBINING AND INDIVIDUAL FUND STATEMENTS

These statements provide a more detailed view of the "basic financial statements" presented in the preceding subsection.

Combining statements are presented when there is more than one fund of a given fund type. Several individual fund statements are presented to provide additional detail and to present budgetary comparison.

GENERAL FUND

The General Fund is the general operating fund of the Town. All general tax revenues and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. From the fund are paid the general operating expenditures, the fixed charges and the capital improvement costs that are not paid through other funds.

TOWN OF SANFORD, MAINE
Comparative Balance Sheets
General Fund
June 30, 2010 and 2009

| | 2010 | 2009 |
|--|----------------------|-------------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 13,395,177 | 13,549,841 |
| Receivables: | | |
| Taxes and liens - current year | 1,093,678 | 1,180,355 |
| Taxes - prior years | 326,233 | 303,864 |
| Tax liens - prior years | 469,806 | 546,736 |
| Accounts, net of allowance | 513,633 | 362,010 |
| Interfund loans receivable | 47,463 | 47,463 |
| Total assets | \$ 15,845,990 | 15,990,269 |
| LIABILITIES AND FUND BALANCE | | |
| Liabilities: | | |
| Accounts payable and payroll withholdings | 1,346,627 | 1,334,380 |
| Accrued wages | 3,939,429 | 4,052,274 |
| Deferred revenues | 1,509,627 | 1,654,716 |
| Total liabilities | 6,795,683 | 7,041,370 |
| Fund balance: | | |
| Unreserved: | | |
| Designated - subsequent year budget - Town | 650,000 | 650,000 |
| Designated - capital plan | 658,224 | 725,825 |
| Designated - subsequent year budget - School | 685,000 | 225,000 |
| Designated - Adult Education | 52,574 | 26,034 |
| Undesignated - School Department | (869,717) | (417,220) |
| Undesignated - Town | 7,874,226 | 7,739,260 |
| Total fund balance | 9,050,307 | 8,948,899 |
| Total liabilities and fund balance | \$ 15,845,990 | 15,990,269 |

TOWN OF SANFORD, MAINE
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Budgetary Basis of Accounting)
Year ended June 30, 2010
(with comparative totals for the year ended June 30, 2009)

| | 2010 | | Variance positive (negative) | 2009 |
|---|--------------------|-------------------|------------------------------------|-------------------|
| | Adjusted budget | Actual | | |
| Revenues: | | | | |
| Taxes: | | | | |
| Property taxes | \$ 24,083,404 | 24,199,815 | 116,411 | 23,788,307 |
| Supplemental taxes | - | 1,596 | 1,596 | 6,115 |
| Excise taxes | 2,516,008 | 2,578,097 | 62,089 | 2,637,140 |
| Interest and penalties | 95,000 | 153,195 | 58,195 | 175,431 |
| Total taxes | 26,694,412 | 26,932,703 | 238,291 | 26,606,993 |
| Licenses, permits and fees: | | | | |
| Registration fees | 40,000 | 37,714 | (2,286) | 38,462 |
| Cable franchise fee | 140,000 | 151,480 | 11,480 | 143,455 |
| Fire Department fees | 200 | 551 | 351 | 360 |
| Police | 50,800 | 68,449 | 17,649 | 66,352 |
| Dispatch | 414,750 | 656,178 | 241,428 | - |
| Certified mail | - | 673 | 673 | 531 |
| Digging permits | 1,500 | 1,175 | (325) | 1,075 |
| Mtn. View Acres | 20,000 | 20,000 | - | 20,000 |
| Mid Town Mall Parking | 1,800 | 2,925 | 1,125 | 1,800 |
| Animal control | 4,000 | 14,913 | 10,913 | 15,500 |
| Cemetery | 90,906 | - | (90,906) | 63,066 |
| Ambulance fees | 650,000 | 695,451 | 45,451 | 716,497 |
| Site plans | 4,000 | 3,200 | (800) | 2,000 |
| Subdivisions | 4,750 | 1,550 | (3,200) | 2,850 |
| Planning fees | 500 | 339 | (161) | 510 |
| Recreation fees | 50,000 | 45,583 | (4,417) | 44,596 |
| Waste transfer | 130,000 | 129,455 | (545) | 139,585 |
| Lien fees | - | 482 | 482 | 427 |
| Other licenses and fees | 63,425 | 61,548 | (1,877) | 66,635 |
| Total licenses, permits and fees | 1,666,631 | 1,891,666 | 225,035 | 1,323,701 |
| Intergovernmental: | | | | |
| General assistance reimbursement | 100,000 | 67,149 | (32,851) | 108,224 |
| General assistance | 15,000 | 8,890 | (6,110) | 12,315 |
| Education | 1,472,506 | 2,120,062 | 647,556 | 2,022,947 |
| Education subsidy | 20,123,594 | 19,600,092 | (523,502) | 20,096,973 |
| School resource officer | 135,726 | 135,726 | - | 123,705 |
| Annex | 7,800 | 7,764 | (36) | 7,764 |
| Adult Education | 118,000 | 132,913 | 14,913 | 85,167 |
| Adult Education - subsidy | 147,000 | 162,965 | 15,965 | 149,233 |
| State Revenue Sharing | 1,684,478 | 1,842,774 | 158,296 | 2,179,362 |
| Homestead exemption | 438,146 | 438,146 | - | 416,579 |
| BETE Reimbursement | 104,418 | 104,473 | 55 | 44,366 |
| Local Road Assistance | 186,000 | 216,410 | 30,410 | 246,640 |
| Debt service reimbursement | 346,113 | 346,114 | 1 | 506,129 |
| Payment in lieu of taxes | 25,000 | 32,178 | 7,178 | 30,670 |
| Tree growth | - | 10,808 | 10,808 | 10,193 |
| Veterans exemption | 14,000 | - | (14,000) | 21,473 |
| Total intergovernmental | 24,917,781 | 25,226,464 | 308,683 | 26,061,740 |

TOWN OF SANFORD, MAINE
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Budgetary Basis of Accounting), Continued

| | 2010 | | | 2009 |
|------------------------------------|--------------------|------------|------------------------------------|------------|
| | Adjusted budget | Actual | Variance positive (negative) | |
| Revenues, continued: | | | | |
| Investment income | \$ 120,000 | 137,633 | 17,633 | 346,191 |
| Other: | | | | |
| Recycling | 15,100 | 25,426 | 10,326 | 29,580 |
| Airport | 59,724 | 72,185 | 12,461 | 71,918 |
| Economic Growth Council | 55,000 | 55,000 | - | - |
| Rental and lease income | 266 | 360 | 94 | 291 |
| Unemployment compensation | - | - | - | 25,343 |
| Employee benefits | 10,000 | 226 | (9,774) | 48,068 |
| Sale of surplus property | - | 1,300 | 1,300 | 49,908 |
| Tree growth withdrawals/abatements | - | - | - | 19,981 |
| Miscellaneous | 7,400 | 11,401 | 4,001 | 53,750 |
| Total other | 147,490 | 165,898 | 18,408 | 298,839 |
| Total revenues | 53,546,314 | 54,354,364 | 808,050 | 54,637,464 |
| Expenditures: | | | | |
| Current: | | | | |
| General governmental: | | | | |
| Town Council | 51,954 | 53,401 | (1,447) | 53,657 |
| Voter registration | 25,233 | 23,995 | 1,238 | 17,668 |
| Administration | 364,751 | 382,419 | (17,668) | 390,616 |
| Personnel | 103,847 | 117,990 | (14,143) | 111,641 |
| Planning | 119,406 | 117,958 | 1,448 | 118,656 |
| Office of Economic Affairs | 167,406 | 159,459 | 7,947 | 118,105 |
| Information systems | 296,817 | 296,805 | 12 | 336,196 |
| Assessor | 153,394 | 152,134 | 1,260 | 150,463 |
| Town Treasurer | 96,946 | 99,640 | (2,694) | 100,978 |
| Town clerk/tax collector | 257,549 | 257,803 | (254) | 261,767 |
| General assistance | 244,694 | 196,059 | 48,635 | 285,935 |
| Legal services | 90,000 | 153,514 | (63,514) | 166,795 |
| Insurance | 172,643 | 156,889 | 15,754 | 146,282 |
| Employee benefits | 2,739,436 | 2,861,556 | (122,120) | 2,541,295 |
| Total general governmental | 4,884,076 | 5,029,622 | (145,546) | 4,800,054 |

TOWN OF SANFORD, MAINE
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Budgetary Basis of Accounting), Continued

| | 2010 | | | 2009 |
|--------------------------|--------------------|------------|------------------------------------|------------|
| | Adjusted budget | Actual | Variance positive (negative) | |
| Expenditures, continued: | | | | |
| Current, continued: | | | | |
| Public services: | | | | |
| Recreation | \$ 273,313 | 278,319 | (5,006) | 272,528 |
| Parks | 283,173 | 279,666 | 3,507 | 288,659 |
| Historical Committees | 24,298 | 24,298 | - | 26,199 |
| Mtn. View Acres | 500 | 616 | (116) | 148 |
| Town Hall/Annex | 265,581 | 241,699 | 23,882 | 272,414 |
| Airport | 195,618 | 180,564 | 15,054 | 202,202 |
| Cemetery | 125,389 | 34,483 | 90,906 | 102,565 |
| Library | 551,010 | 551,010 | - | 568,051 |
| Community agencies | 65,825 | 65,825 | - | 86,912 |
| Total public services | 1,784,707 | 1,656,480 | 128,227 | 1,819,678 |
| Public safety: | | | | |
| Police department | 2,599,496 | 2,529,206 | 70,290 | 2,769,082 |
| Central Dispatch | 816,257 | 1,116,693 | (300,436) | 546,812 |
| Police - other | 32,707 | 189,740 | (157,033) | 64,836 |
| Fire department | 3,426,601 | 3,409,780 | 16,821 | 3,591,730 |
| Total public safety | 6,875,061 | 7,245,419 | (370,358) | 6,972,460 |
| Public works: | | | | |
| Public works | 2,219,461 | 2,051,813 | 167,648 | 2,450,604 |
| Environmental services | 1,547,266 | 1,433,038 | 114,228 | 1,533,803 |
| Total public works | 3,766,727 | 3,484,851 | 281,876 | 3,984,407 |
| Education: | | | | |
| General operations | 33,060,794 | 32,664,054 | 396,740 | 31,751,196 |
| Adult Education | 727,064 | 728,937 | (1,873) | 660,582 |
| St. Thomas | 100,917 | 100,978 | (61) | 106,095 |
| Total education | 33,888,775 | 33,493,969 | 394,806 | 32,517,873 |
| County tax | 780,673 | 780,673 | - | 754,624 |
| Other: | | | | |
| Overlay/abatements | 264,778 | - | 264,778 | - |
| TIF financing | 479,325 | 479,325 | - | 291,840 |
| Other | 21,668 | 29,204 | (7,536) | 22,683 |
| Total other | 765,771 | 508,529 | 257,242 | 314,523 |

TOWN OF SANFORD, MAINE
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Budgetary Basis of Accounting), Continued

| | 2010 | | | 2009 |
|--|--------------------|------------------|------------------------------------|------------------|
| | Adjusted budget | Actual | Variance positive (negative) | |
| Expenditures, continued: | | | | |
| Current, continued: | | | | |
| Debt service: | | | | |
| Principal | \$ 1,038,520 | 1,038,520 | - | 1,151,827 |
| Interest | 313,966 | 289,416 | 24,550 | 189,189 |
| Total debt service | 1,352,486 | 1,327,936 | 24,550 | 1,341,016 |
| Capital Improvement Plan (Town): | | | | |
| Voter Registration - Accuvote | 1,000 | - | 1,000 | - |
| Planning - Comprehensive Plan | 7,120 | - | 7,120 | (3,410) |
| Information Systems | 58,996 | 22,092 | 36,904 | 70,498 |
| Fire Department | 40,928 | 25,593 | 15,335 | 105,230 |
| Police Department | 121,109 | 82,392 | 38,717 | 87,715 |
| Public Works | 1,031,644 | 619,976 | 411,668 | 715,953 |
| Parks | 55,500 | - | 55,500 | (4,473) |
| Town Hall/Annex - Town Hall Annex | 110,008 | 9,786 | 100,222 | 9,992 |
| Airport | 58,773 | 58,773 | - | (25,219) |
| Capital plan reserve | 3,758 | - | 3,758 | - |
| Total capital improvement plan | 1,488,836 | 818,612 | 670,224 | 956,286 |
| Total expenditures | 55,587,112 | 54,346,091 | 1,241,021 | 53,460,921 |
| Excess (deficiency) of revenues over (under) expenditures | (2,040,798) | 8,273 | 2,049,071 | 1,176,543 |
| Other financing sources (uses): | | | | |
| Transfers in | - | - | - | - |
| Transfers out | - | (86,686) | (86,686) | - |
| Use of designated fund balance | 418,806 | - | (418,806) | - |
| Budgeted use of fund balance - Town | 936,992 | - | (936,992) | - |
| Budgeted use of fund balance - Education | 685,000 | - | (685,000) | - |
| Total other financing sources (uses) | 2,040,798 | (86,686) | (2,127,484) | - |
| Net change in fund balance - budgetary basis | - | (78,413) | (78,413) | 1,176,543 |
| Reconciliation to GAAP basis: | | | | |
| Change in teacher summer salaries | | 179,821 | | (47,869) |
| Net change in fund balance - GAAP basis | | 101,408 | | 1,128,674 |
| Fund balance, beginning of year | | 8,948,899 | | 7,820,225 |
| Fund balance, end of year | \$ | 9,050,307 | | 8,948,899 |

ALL OTHER GOVERNMENTAL FUNDS

TOWN OF SANFORD, MAINE
Combining Balance Sheet
All Other Governmental Funds
June 30, 2010

| | Special Revenue Funds | Capital Projects Funds | Permanent Funds | Total Other Governmental Funds |
|--|-----------------------------|------------------------------|--------------------|--------------------------------------|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 2,168,408 | 2,990,480 | 215,656 | 5,374,544 |
| Investments | - | - | 626,914 | 626,914 |
| Accounts receivable | 8,781 | 677,443 | 16,492 | 702,716 |
| Inventory | 25,166 | - | - | 25,166 |
| Land (held for investment) | - | - | 109,500 | 109,500 |
| Total assets | \$ 2,202,355 | 3,667,923 | 968,562 | 6,838,840 |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Accounts payable | 24,074 | 1,120,974 | - | 1,145,048 |
| Interfund loans payable | 47,463 | - | - | 47,463 |
| Total liabilities | 71,537 | 1,120,974 | - | 1,192,511 |
| Fund balances: | | | | |
| Reserved for: | | | | |
| Inventory | 25,166 | - | - | 25,166 |
| Nonexpendable trust principal | - | - | 6,000 | 6,000 |
| Unreserved: | | | | |
| Undesignated | 2,105,652 | 2,546,949 | 962,562 | 5,615,163 |
| Total fund balance | 2,130,818 | 2,546,949 | 968,562 | 5,646,329 |
| Total liabilities and fund balances | \$ 2,202,355 | 3,667,923 | 968,562 | 6,838,840 |

TOWN OF SANFORD, MAINE
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
All Other Governmental Funds
For the year ended June 30, 2010

| | Special Revenue Funds | Capital Projects Funds | Permanent Funds | Total Other Governmental Funds |
|---|-----------------------------|------------------------------|--------------------|--------------------------------------|
| Revenues: | | | | |
| Property taxes | \$ 479,325 | - | - | 479,325 |
| Intergovernmental | 8,827,313 | 3,149,386 | - | 11,976,699 |
| Charges for services | 715,328 | - | 41,700 | 757,028 |
| Investment income | 8,471 | 40,952 | 46,440 | 95,863 |
| Donations and contributions | - | - | 44,302 | 44,302 |
| Other | 169,838 | 286,254 | - | 456,092 |
| Total revenues | 10,200,275 | 3,476,592 | 132,442 | 13,809,309 |
| Expenditures: | | | | |
| Current: | | | | |
| Education | 5,967,314 | - | - | 5,967,314 |
| Other | 4,034,246 | - | 81,352 | 4,115,598 |
| Capital expenditures | - | 10,703,523 | - | 10,703,523 |
| Total expenditures | 10,001,560 | 10,703,523 | 81,352 | 20,786,435 |
| Other financing sources: | | | | |
| Proceeds from issuance of debt | - | 6,458,175 | - | 6,458,175 |
| Transfers in (out) | - | 86,686 | - | 86,686 |
| Total other financing sources | - | 6,544,861 | - | 6,544,861 |
| Net change in fund balances | 198,715 | (682,070) | 51,090 | (432,265) |
| Fund balances, beginning of year | 1,932,103 | 3,229,019 | 917,472 | 6,078,594 |
| Fund balances, end of year | \$ 2,130,818 | 2,546,949 | 968,562 | 5,646,329 |

NONMAJOR SPECIAL REVENUE FUNDS

TOWN OF SANFORD, MAINE
 Nonmajor Special Revenue Funds
 Combining Balance Sheet
 June 30, 2010

| | 2001 | 2002 | 2003 | 2007 | 2008 | 2009 | 2010 | 2011 | 2020 | 2026 | 2029 | 2030 | 2031 | 2032 |
|--|-----------------|--------------|--------------|---------------|--------------|------------|--------------|--------------|----------------|------------|------------|--------------|-------------|---------------|
| | | | | | | | Sanford | | | | | | | Sanford |
| | | | | Rt.109 | Central | Village | Institute | | | Business | Technical | CD LMI | | Micro |
| | | | | Downtown | Tire | Green | for Savings | | Impact | Assistance | Assistance | General | Springvale | Loan |
| | | | | TIF | TIF | TIF | TIF | Rubb | Fees | Grant | Grant | Account | Rehab I, II | Grant |
| | | | | Felt TIF | | | | TIF | | | | | | |
| Millrock TIF | 1,064 | 1,942 | 3,418 | 84,678 | 7,143 | 770 | 7,331 | 2,539 | 107,946 | - | - | 2,000 | 357 | 27,276 |
| Cash and cash equivalents | \$ 1,064 | 1,942 | 3,418 | 84,678 | 7,143 | 770 | 7,331 | 2,539 | 107,946 | - | - | 2,000 | 357 | 27,276 |
| Accounts receivable | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Inventory | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total assets | \$ 1,064 | 1,942 | 3,418 | 84,678 | 7,143 | 770 | 7,331 | 2,539 | 107,946 | - | - | 2,000 | 357 | 27,276 |
| LIABILITIES AND FUND BALANCES | | | | | | | | | | | | | | |
| Liabilities: | | | | | | | | | | | | | | |
| Accounts payable | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Interfund loans payable | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total liabilities | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Fund balances: | | | | | | | | | | | | | | |
| Reserved for inventory | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Unreserved: | | | | | | | | | | | | | | |
| Undesignated | 1,064 | 1,942 | 3,418 | 84,678 | 7,143 | 770 | 7,331 | 2,539 | 107,946 | - | - | 2,000 | 357 | 27,276 |
| Total fund balances (deficit) | 1,064 | 1,942 | 3,418 | 84,678 | 7,143 | 770 | 7,331 | 2,539 | 107,946 | - | - | 2,000 | 357 | 27,276 |
| Total liabilities and fund balances (deficit) | \$ 1,064 | 1,942 | 3,418 | 84,678 | 7,143 | 770 | 7,331 | 2,539 | 107,946 | - | - | 2,000 | 357 | 27,276 |

TOWN OF SANFORD, MAINE
 Nonmajor Special Revenue Funds
 Combining Balance Sheet, Continued

| | 2042 | 2044 | 2045 | 2047 | 2048 | 2049 | 2051 | 2052 | 2053 | 2054 | 2056 | 2057 |
|--|------------------|----------|-------------------|----------------------------------|---------------|-----------------------|----------------------|-----------------------|---------------|-------------------|--------------------------|-----------------------|
| | KKW | BAG Rubb | Brownfields Grant | Neighborhood Stabilization Grant | Party Patrol | Seat Belt Enforcement | Cops Hiring Recovery | Law Enforcement Block | Seized Assets | Bullet Proof Vest | Justice Assistance Grant | ATV Enforcement Grant |
| ASSETS | | | | | | | | | | | | |
| Cash and cash equivalents | \$ 32,064 | - | - | - | 10,000 | - | 52,236 | 741 | 11,656 | (2,737) | 106 | (3,952) |
| Accounts receivable | - | - | - | - | - | - | - | - | - | - | - | - |
| Inventory | - | - | - | - | - | - | - | - | - | - | - | - |
| Total assets | \$ 32,064 | - | - | - | 10,000 | - | 52,236 | 741 | 11,656 | (2,737) | 106 | (3,952) |
| LIABILITIES AND FUND BALANCES | | | | | | | | | | | | |
| Liabilities: | | | | | | | | | | | | |
| Accounts payable | - | - | - | - | - | - | - | - | - | - | - | - |
| Interfund loans payable | - | - | - | - | - | - | - | - | - | - | - | - |
| Total liabilities | - | - | - | - | - | - | - | - | - | - | - | - |
| Fund balances: | | | | | | | | | | | | |
| Reserved for inventory | - | - | - | - | - | - | - | - | - | - | - | - |
| Unreserved: | | | | | | | | | | | | |
| Undesignated | 32,064 | - | - | - | 10,000 | - | 52,236 | 741 | 11,656 | (2,737) | 106 | (3,952) |
| Total fund balances (deficit) | 32,064 | - | - | - | 10,000 | - | 52,236 | 741 | 11,656 | (2,737) | 106 | (3,952) |
| Total liabilities and fund balances (deficit) | \$ 32,064 | - | - | - | 10,000 | - | 52,236 | 741 | 11,656 | (2,737) | 106 | (3,952) |

TOWN OF SANFORD, MAINE
 Nonmajor Special Revenue Funds
 Combining Balance Sheet, Continued

| | 2058 | 2059 | 2064 | 2067 | 2068 | 2069 | 2070 | 2071 | 2072 | 2073 | 2080 | 2082 |
|---|-----------------------------|----------------------|-----------------------------------|-------------------------|---------------------------|-----------------------|--------------------------|------------------------------------|-----------------------------------|-------------------|----------------|----------------------------------|
| | High Visibility Drive | Speed Enforcement | Homeland Security 2003/2004 | Brownfields Subgrant | Brownfields Assessment | Byrne JAG Grant | JAG Recovery Grant | Brownfields Stimulus Cleanup | Brownfields Aerofab Cleanup | Youth Programs | Teen Center | Hometown Heroes (Wal-Mart) |
| ASSETS | | | | | | | | | | | | |
| Cash and cash equivalents | \$ 2,080 | 1,120 | 5,467 | - | - | - | 86,269 | - | - | 2,662 | 7,110 | - |
| Accounts receivable | - | - | - | - | - | - | - | - | - | - | - | - |
| Inventory | - | - | - | - | - | - | - | - | - | - | - | - |
| Total assets | \$ 2,080 | 1,120 | 5,467 | - | - | - | 86,269 | - | - | 2,662 | 7,110 | - |
| LIABILITIES AND FUND BALANCES | | | | | | | | | | | | |
| Liabilities: | | | | | | | | | | | | |
| Accounts payable | - | - | - | - | - | - | - | - | - | - | - | - |
| Interfund loans payable | - | - | - | - | - | - | - | - | - | - | - | - |
| Total liabilities | - | - | - | - | - | - | - | - | - | - | - | - |
| Fund balances: | | | | | | | | | | | | |
| Reserved for inventory | - | - | - | - | - | - | - | - | - | - | - | - |
| Unreserved: | | | | | | | | | | | | |
| Undesignated | 2,080 | 1,120 | 5,467 | - | - | - | 86,269 | - | - | 2,662 | 7,110 | - |
| Total fund balances (deficit) | 2,080 | 1,120 | 5,467 | - | - | - | 86,269 | - | - | 2,662 | 7,110 | - |
| Total liabilities and fund balances (deficit) \$ | 2,080 | 1,120 | 5,467 | - | - | - | 86,269 | - | - | 2,662 | 7,110 | - |

TOWN OF SANFORD, MAINE
 Nonmajor Special Revenue Funds
 Combining Balance Sheet, Continued

| | 2083 | 2084 | 2087 | 2088 | 2089 | 2090 | 2091 | 2092 | 2093 | 2094 | 2095 | 2200 |
|--|--------------------------------|--------------------------|--------------------|----------------|---------------------|------------------|-----------------|--------------|--------------------|---------------------|--------------------|----------------------|
| | Hometown Heroes (Police) | Airport Open House | Montreal Street | FEMA | Roosevelt School | Imelda's Fund | Clean Up Day | Recreation | FEMA 1815 DR ME | Riverfront Grant | FEMA 1891 DR ME | School Department |
| ASSETS | | | | | | | | | | | | |
| Cash and cash equivalents | \$ 110 | 9,447 | (16,223) | 160,428 | 100 | 21,511 | 493 | 6,683 | 348,620 | 1 | (192,386) | 638,941 |
| Accounts receivable | - | - | - | - | - | - | - | - | - | - | - | 8,781 |
| Inventory | - | - | - | - | - | - | - | - | - | - | - | - |
| Total assets | \$ 110 | 9,447 | (16,223) | 160,428 | 100 | 21,511 | 493 | 6,683 | 348,620 | 1 | (192,386) | 647,722 |
| LIABILITIES AND FUND BALANCES | | | | | | | | | | | | |
| Liabilities: | | | | | | | | | | | | |
| Accounts payable | - | - | - | - | - | - | - | - | - | - | - | 19,820 |
| Interfund loans payable | - | - | - | - | - | - | - | - | - | - | - | 36,447 |
| Total liabilities | - | - | - | - | - | - | - | - | - | - | - | 56,267 |
| Fund balances: | | | | | | | | | | | | |
| Reserved for inventory | - | - | - | - | - | - | - | - | - | - | - | - |
| Unreserved: | | | | | | | | | | | | |
| Undesignated | 110 | 9,447 | (16,223) | 160,428 | 100 | 21,511 | 493 | 6,683 | 348,620 | 1 | (192,386) | 591,455 |
| Total fund balances (deficit) | 110 | 9,447 | (16,223) | 160,428 | 100 | 21,511 | 493 | 6,683 | 348,620 | 1 | (192,386) | 591,455 |
| Total liabilities and fund balances (deficit) | \$ 110 | 9,447 | (16,223) | 160,428 | 100 | 21,511 | 493 | 6,683 | 348,620 | 1 | (192,386) | 647,722 |

TOWN OF SANFORD, MAINE
 Nonmajor Special Revenue Funds
 Combining Balance Sheet, Continued

| | 2230 | 2250 | 2251 | 2265 | 2300 | 5000 | 5001 | 5002 | 5003 | Town | | | Totals |
|--|------------------|----------------|-------------------|-------------------|--------------------|---------------------|----------------|---------------------|-------------------------|--------------------------------------|--------------------------------|------------------|--------|
| | Title IA ARRA | IDEA ARRA | Preschool ARRA | Title IID ARRA | Payroll Reserve | School Cafeteria | SSDC | Enforcement Code | Economic Development | Unemployment Compensation Fund | School Unemployment Fund | | |
| ASSETS | | | | | | | | | | | | | |
| Cash and cash equivalents | \$ 24,907 | 152,073 | 11,902 | 25,000 | 87,904 | 223,720 | (1,447) | 73,508 | (23,797) | 54,520 | 111,107 | 2,168,408 | |
| Accounts receivable | - | - | - | - | - | - | - | - | - | - | - | 8,781 | |
| Inventory | - | - | - | - | - | 25,166 | - | - | - | - | - | 25,166 | |
| Total assets | \$ 24,907 | 152,073 | 11,902 | 25,000 | 87,904 | 248,886 | (1,447) | 73,508 | (23,797) | 54,520 | 111,107 | 2,202,355 | |
| LIABILITIES AND FUND BALANCES | | | | | | | | | | | | | |
| Liabilities: | | | | | | | | | | | | | |
| Accounts payable | - | 4,254 | - | - | - | - | - | - | - | - | - | 24,074 | |
| Interfund loans payable | - | - | - | - | - | 11,016 | - | - | - | - | - | 47,463 | |
| Total liabilities | - | 4,254 | - | - | - | 11,016 | - | - | - | - | - | 71,537 | |
| Fund balances: | | | | | | | | | | | | | |
| Reserved for Inventory | - | - | - | - | - | 25,166 | - | - | - | - | - | 25,166 | |
| Unreserved: | | | | | | | | | | | | | |
| Undesignated | 24,907 | 147,819 | 11,902 | 25,000 | 87,904 | 212,704 | (1,447) | 73,508 | (23,797) | 54,520 | 111,107 | 2,105,652 | |
| Total fund balances (deficit) | 24,907 | 147,819 | 11,902 | 25,000 | 87,904 | 237,870 | (1,447) | 73,508 | (23,797) | 54,520 | 111,107 | 2,130,818 | |
| Total liabilities and fund balances (deficit) | \$ 24,907 | 152,073 | 11,902 | 25,000 | 87,904 | 248,886 | (1,447) | 73,508 | (23,797) | 54,520 | 111,107 | 2,202,355 | |

TOWN OF SANFORD, MAINE
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the year ended June 30, 2010

| | 2001 | 2002 | 2003 | 2007 | 2008 | 2009 | 2010 | 2011 | 2020 | 2026 | 2029 | 2030 | 2031 | 2032 |
|---|-----------------|----------------|---------------|---------------------------|------------------------|-------------------------|--|---------------|----------------|---------------------------------|----------------------------------|------------------------------|---------------------------|-----------------------------------|
| | | | | Rt 109 Downtown TIF | Central Tire TIF | Village Green TIF | Sanford Institute for Savings TIF | Rubb TIF | Impact Fees | Business Assistance Grant | Technical Assistance Grant | CD LMI General Account | Springvale Rehab I, II | Sanford Micro Loan Grant |
| Revenues: | | | | | | | | | | | | | | |
| Property taxes | \$ 53,365 | 78,572 | 28,571 | 248,947 | 22,405 | 8,106 | 29,234 | 10,125 | - | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - | - | - | - | - | 100,000 | 14,000 | 2,500 | - | - |
| Charges for services | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Investment income | 64 | 75 | 84 | 1,681 | 31 | 5 | 22 | 8 | 624 | - | - | - | - | 351 |
| Other | - | - | - | - | - | - | - | - | 71,085 | - | - | - | - | - |
| Total revenues | 53,429 | 78,647 | 28,655 | 250,628 | 22,436 | 8,111 | 29,256 | 10,133 | 71,709 | 100,000 | 14,000 | 2,500 | 4 | 351 |
| Expenditures: | | | | | | | | | | | | | | |
| Education | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other | 57,360 | 81,786 | 28,571 | 379,987 | 16,803 | 7,701 | 21,925 | 7,594 | - | 100,000 | 14,000 | 500 | - | - |
| Total expenditures | 57,360 | 81,786 | 28,571 | 379,987 | 16,803 | 7,701 | 21,925 | 7,594 | - | 100,000 | 14,000 | 500 | - | - |
| Net change in fund balances | (3,931) | (3,139) | 84 | (129,359) | 5,633 | 410 | 7,331 | 2,539 | 71,709 | - | - | 2,000 | 4 | 351 |
| Fund balances (deficit), beginning of year | 4,995 | 5,081 | 3,334 | 214,037 | 1,510 | 360 | - | - | 36,237 | - | - | - | 353 | 26,925 |
| Fund balances (deficit), end of year | \$ 1,064 | 1,942 | 3,418 | 84,678 | 7,143 | 770 | 7,331 | 2,539 | 107,946 | - | - | 2,000 | 357 | 27,276 |

TOWN OF SANFORD, MAINE
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances, Continued

| | 2042 | 2044 | 2045 | 2047 | 2048 | 2049 | 2051 | 2052 | 2053 | 2054 | 2056 | 2057 |
|--|-----------|----------|-------------------|----------------------------------|--------------|-----------------------|----------------------|-----------------------|---------------|-------------------|--------------------------|-----------------------|
| | | BAG Rubb | Brownfields Grant | Neighborhood Stabilization Grant | Party Patrol | Seat Belt Enforcement | Cops Hiring Recovery | Law Enforcement Block | Seized Assets | Bullet Proof Vest | Justice Assistance Grant | ATV Enforcement Grant |
| | KKW | | | | | | | | | | | |
| Revenues: | | | | | | | | | | | | |
| Property taxes | \$ - | - | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental | - | 4,134 | 36,678 | 2,124,681 | 10,000 | 1,600 | 52,236 | - | 3,181 | - | - | 1,398 |
| Charges for services | - | - | - | - | - | - | - | - | - | - | - | - |
| Investment income | - | - | - | - | - | - | - | - | - | - | - | - |
| Other | 11,180 | - | - | - | - | - | - | - | - | - | - | - |
| Total revenues | 11,180 | 4,134 | 36,678 | 2,124,681 | 10,000 | 1,600 | 52,236 | - | 3,181 | - | - | 1,398 |
| Expenditures: | | | | | | | | | | | | |
| Education | - | - | - | - | - | - | - | - | - | - | - | - |
| Other | 171 | 4,134 | 24,207 | 2,124,681 | - | - | - | - | 500 | 1,320 | - | - |
| Total expenditures | 171 | 4,134 | 24,207 | 2,124,681 | - | - | - | - | 500 | 1,320 | - | - |
| Net change in fund balances | 11,009 | - | 12,471 | - | 10,000 | 1,600 | 52,236 | - | 2,681 | (1,320) | - | 1,398 |
| Fund balances (deficit), beginning of year | 21,055 | - | (12,471) | - | - | (1,600) | - | 741 | 8,975 | (1,417) | 106 | (5,350) |
| Fund balances (deficit), end of year | \$ 32,064 | - | - | - | 10,000 | - | 52,236 | 741 | 11,656 | (2,737) | 106 | (3,952) |

TOWN OF SANFORD, MAINE
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances, Continued

| | 2058 | 2059 | 2064 | 2067 | 2068 | 2069 | 2070 | 2071 | 2072 | 2073 | 2080 | 2082 |
|--|-----------------------------|----------------------|----------------------|-------------------------|---------------------------|-----------------------|--------------------------|------------------------------------|-----------------------------------|-------------------|----------------|----------------------------------|
| | High Visibility Drive | Speed Enforcement | Homeland Security | Brownfields Subgrant | Brownfields Assessment | Byrne JAG Grant | JAG Recovery Grant | Brownfields Stimulus Cleanup | Brownfields Aerofab Cleanup | Youth Programs | Teen Center | Hometown Heroes (Wal-Mart) |
| Revenues: | | | | | | | | | | | | |
| Property taxes | \$ - | - | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental | 3,360 | 2,240 | - | 200,000 | 45,906 | 16,322 | 127,449 | 153,203 | 78,610 | - | - | - |
| Charges for services | - | - | - | - | - | - | - | - | - | 3,291 | - | - |
| Investment income | - | - | - | - | - | - | - | - | - | - | 82 | - |
| Other | - | - | - | - | - | - | - | - | - | - | - | - |
| Total revenues | 3,360 | 2,240 | - | 200,000 | 45,906 | 16,322 | 127,449 | 153,203 | 78,610 | 3,291 | 82 | - |
| Expenditures: | | | | | | | | | | | | |
| Education | - | - | - | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | 200,000 | 45,906 | 16,322 | 41,180 | 153,203 | 78,610 | 629 | - | 1,816 |
| Total expenditures | - | - | - | 200,000 | 45,906 | 16,322 | 41,180 | 153,203 | 78,610 | 629 | - | 1,816 |
| Net change in fund balances | 3,360 | 2,240 | - | - | - | - | 86,269 | - | - | 2,662 | 82 | (1,816) |
| Fund balances (deficit), beginning of year | (1,280) | (1,120) | 5,467 | - | - | - | - | - | - | - | 7,028 | 1,816 |
| Fund balances (deficit), end of year | \$ 2,080 | 1,120 | 5,467 | - | - | - | 86,269 | - | - | 2,662 | 7,110 | - |

TOWN OF SANFORD, MAINE
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances, Continued

| | 2083 | 2084 | 2087 | 2088 | 2089 | 2090 | 2091 | 2092 | 2093 | 2094 | 2095 | 2000 |
|---|--------------------------|--------------------|-----------------|----------|------------------|---------------|--------------|------------|------------------|------------------|------------------|-------------------|
| | Hometown Heroes (Police) | Airport Open House | Montreal Street | FEIMA | Roosevelt School | Imelda's Fund | Clean up Day | Recreation | FEIMA 1815 DR ME | Riverfront Grant | FEIMA 1891 DR ME | School Department |
| Revenues: | | | | | | | | | | | | |
| Property taxes | \$ - | - | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - | - | - | - | 124,400 | 8,945 | - | 4,054,577 |
| Charges for services | - | - | - | - | - | - | - | - | - | - | - | - |
| Investment income | - | - | - | - | - | 218 | - | - | - | - | - | - |
| Other | - | 5,365 | - | - | 100 | 15,306 | 1,214 | - | - | - | - | - |
| Total revenues | - | 5,365 | - | - | 100 | 15,524 | 1,214 | - | 124,400 | 8,945 | - | 4,054,577 |
| Expenditures: | | | | | | | | | | | | |
| Education | - | - | - | - | - | - | - | - | - | - | - | - |
| Other | 1,537 | 5,480 | - | 11,863 | - | 10,839 | 1,136 | 13,241 | 57,575 | 8,944 | 192,386 | 4,118,171 |
| Total expenditures | 1,537 | 5,480 | - | 11,863 | - | 10,839 | 1,136 | 13,241 | 57,575 | 8,944 | 192,386 | 4,118,171 |
| Net change in fund balances | (1,537) | (115) | - | (11,863) | 100 | 4,685 | 78 | (13,241) | 66,825 | 1 | (192,386) | (63,594) |
| Fund balances (deficit), beginning of year | 1,647 | 9,562 | (16,223) | 172,291 | - | 16,826 | 415 | 19,924 | 281,795 | - | - | 655,049 |
| Fund balances (deficit), end of year | \$ 110 | 9,447 | (16,223) | 160,428 | 100 | 21,511 | 493 | 6,683 | 348,620 | 1 | (192,386) | 591,455 |

TOWN OF SANFORD, MAINE
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances, Continued

| | 2230 | 2250 | 2251 | 2251 | 2265 | 2300 | 5000 | 5001 | 5002 | 5003 | Town | | | Totals |
|---|------------------|----------------|-------------------|-------------------|--------------------|---------------------|----------------|---------------------|-------------------------|--------------------------------------|--------------------------------|--------------------------------------|--------------------------------|------------------|
| | Title IA ARRA | IDEA ARRA | Preschool ARRA | Title IID ARRA | Payroll Reserve | School Cafeteria | SADC | Enforcement Code | Economic Development | Unemployment Compensation Fund | School Unemployment Fund | Unemployment Compensation Fund | School Unemployment Fund | Totals |
| Revenues: | | | | | | | | | | | | | | |
| Property taxes | \$ - | - | - | - | - | - | - | - | - | - | - | - | - | 479,325 |
| Intergovernmental | 257,336 | 426,668 | 11,902 | 25,000 | - | 940,987 | - | - | - | - | - | - | - | 8,827,313 |
| Charges for services | - | - | - | - | - | 541,447 | - | 155,590 | 15,000 | - | - | - | - | 715,328 |
| Investment income | - | - | - | - | 205 | - | - | - | - | 317 | 4,700 | - | - | 8,471 |
| Other | - | - | - | - | 21,668 | - | - | - | - | 43,920 | - | - | - | 169,838 |
| Total revenues | 257,336 | 426,668 | 11,902 | 25,000 | 21,873 | 1,482,434 | - | 155,590 | 15,000 | 44,237 | 4,700 | - | - | 10,200,275 |
| Expenditures: | | | | | | | | | | | | | | |
| Education | 232,429 | 278,849 | - | - | - | 1,337,865 | - | - | - | - | - | - | - | 5,967,314 |
| Other | - | - | - | - | - | - | - | 216,076 | 15,000 | 50,403 | 40,860 | 50,403 | 40,860 | 4,034,246 |
| Total expenditures | 232,429 | 278,849 | - | - | - | 1,337,865 | - | 216,076 | 15,000 | 50,403 | 40,860 | 50,403 | 40,860 | 10,001,560 |
| Net change in fund balances | 24,907 | 147,819 | 11,902 | 25,000 | 21,873 | 144,569 | - | (60,486) | - | (6,166) | (36,160) | - | - | 198,715 |
| Fund balances (deficit), beginning of year | - | - | - | - | 66,031 | 93,301 | (1,447) | 133,994 | (23,797) | 60,686 | 147,267 | 60,686 | 147,267 | 1,932,103 |
| Fund balances (deficit), end of year | \$ 24,907 | 147,819 | 11,902 | 25,000 | 87,904 | 237,870 | (1,447) | 73,508 | (23,797) | 54,520 | 111,107 | 54,520 | 111,107 | 2,130,818 |

NONMAJOR CAPITAL PROJECT FUNDS

TOWN OF SAINFORD, MAINE
 Nonmajor Capital Project Funds
 Combining Balance Sheet
 June 30, 2010

| | 4000 | 4002 | 4003 | 4005 | 4006 | 4008 | 4010 | 4011 | 4014 | 4016 |
|--|------------|--------------|------------|--------------|--------------|--------------|--------------|--------------|----------|--------------|
| | Number | Mousam | Job Bond | Urban | Department | Goodall | War | Department | Airport | Infra- |
| | One | Way | Local Road | Forestry | of | Statue | Memorial | of | Master | structure |
| | Pond | | Assistance | | Conservation | | Gym | Conservation | Plan | Grant |
| ASSETS | | | | | | | | | | |
| Cash and cash equivalents | 200 | 8,685 | 752 | 5,590 | 1,750 | 1,550 | 6,799 | 5,955 | - | 2,251 |
| Accounts receivable | - | - | - | - | - | - | - | - | - | - |
| Total assets | 200 | 8,685 | 752 | 5,590 | 1,750 | 1,550 | 6,799 | 5,955 | - | 2,251 |
| LIABILITIES AND FUND BALANCES | | | | | | | | | | |
| Liabilities: | | | | | | | | | | |
| Accounts payable | - | - | - | - | - | - | - | - | - | - |
| Total liabilities | - | - | - | - | - | - | - | - | - | - |
| Fund balances (deficit): | | | | | | | | | | |
| Unreserved: | | | | | | | | | | |
| Undesignated | 200 | 8,685 | 752 | 5,590 | 1,750 | 1,550 | 6,799 | 5,955 | - | 2,251 |
| Total fund balances (deficit) | 200 | 8,685 | 752 | 5,590 | 1,750 | 1,550 | 6,799 | 5,955 | - | 2,251 |
| Total liabilities and fund balances (deficit) | 200 | 8,685 | 752 | 5,590 | 1,750 | 1,550 | 6,799 | 5,955 | - | 2,251 |

TOWN OF SANFORD, MAINE
Nonmajor Capital Project Funds
Combining Balance Sheet, Continued

| | 4022 | 4023 | 4024 | 4025 | 4026 | 4027 | 4028 | 4029 | 4030 | 4031 |
|--|------------|---------|----------|----------------|----------------|----------------|----------------|------------------|----------------|------------------|
| | Buffer | Fire/PW | Westside | EDA | Enhancement | Roundabout | Taxiways | Downtown | Land/Salt | Compact |
| | Zone | Bond | Suppl MP | Regional | Grant | Project | Related | Milliyard | Airport | Thimp |
| | Protection | | Update | Airport | | Project | Infrastructure | Project | Road | Police |
| ASSETS | | | | | | | | | | |
| Cash and cash equivalents | \$ - | - | - | 617,605 | (8,342) | 167,391 | - | 1,083,233 | 102,059 | 1,322,552 |
| Accounts receivable | - | - | - | - | - | - | - | - | - | - |
| Total assets | \$ - | - | - | 617,605 | (8,342) | 167,391 | - | 1,083,233 | 102,059 | 1,322,552 |
| LIABILITIES AND FUND BALANCES | | | | | | | | | | |
| Liabilities: | | | | | | | | | | |
| Accounts payable | - | - | - | - | - | - | - | - | - | 70,444 |
| Total liabilities | - | - | - | - | - | - | - | - | - | 70,444 |
| Fund balances (deficit): | | | | | | | | | | |
| Unreserved: | | | | | | | | | | |
| Undesignated | - | - | - | 617,605 | (8,342) | 167,391 | - | 1,083,233 | 102,059 | 1,252,108 |
| Total fund balances (deficit) | - | - | - | 617,605 | (8,342) | 167,391 | - | 1,083,233 | 102,059 | 1,252,108 |
| Total liabilities and fund balances (deficit) | \$ - | - | - | 617,605 | (8,342) | 167,391 | - | 1,083,233 | 102,059 | 1,322,552 |

TOWN OF SANFORD, MAINE
Nonmajor Capital Project Funds
Combining Balance Sheet, Continued

| | 4032 | 4033 | 4034 | 4035 | 4036 | 4037 | 4038 | |
|--|-----------------------|----------------------------|-----------------|-----------------------------------|-----------------------------|-------|-----------------------------------|-----------|
| | B&M Rail Bed Trail | Fagan Mill (Eminent) | Aerofab Mill | Airport Improvement Program | School Revolving Fund | Trane | Airport Improvement Program | Totals |
| ASSETS | | | | | | | | |
| Cash and cash equivalents | \$ (6,677) | (195,255) | (2,108) | 8,146 | - | - | (131,656) | 2,990,480 |
| Accounts receivable | - | - | - | - | - | - | 677,443 | 677,443 |
| Total assets | \$ (6,677) | (195,255) | (2,108) | 8,146 | - | - | 545,787 | 3,667,923 |
| LIABILITIES AND FUND BALANCES | | | | | | | | |
| Liabilities: | | | | | | | | |
| Accounts payable | - | - | - | - | - | - | 1,050,530 | 1,120,974 |
| Total liabilities | - | - | - | - | - | - | 1,050,530 | 1,120,974 |
| Fund balances (deficit): | | | | | | | | |
| Unreserved: | | | | | | | | |
| Undesignated | (6,677) | (195,255) | (2,108) | 8,146 | - | - | (504,743) | 2,546,949 |
| Total fund balances (deficit) | (6,677) | (195,255) | (2,108) | 8,146 | - | - | (504,743) | 2,546,949 |
| Total liabilities and fund balances (deficit) | \$ (6,677) | (195,255) | (2,108) | 8,146 | - | - | 545,787 | 3,667,923 |

TOWN OF SANFORD, MAINE
 Nonmajor Capital Project Funds
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 For the year ended June 30, 2010

| | 4000 | 4002 | 4003 | 4005 | 4006 | 4008 | 4010 | 4011 | 4014 | 4016 |
|---|---------------|--------------|------------|--------------|--------------|--------------|--------------|--------------|----------|--------------|
| | Number | Mousam | Job Bond | Urban | Department | Goodall | War | Department | Airport | Infra- |
| | One | Way | Local Road | Forestry | of | Statue | Memorial | of | Master | structure |
| | Pond | | Assistance | | Conservation | | Gym | Conservation | Plan | Grant |
| Revenues: | | | | | | | | | | |
| Grant revenue | - | - | - | - | - | - | - | - | - | - |
| Investment income | - | - | - | - | - | - | 79 | - | - | - |
| Other | - | - | - | - | - | - | - | - | - | - |
| Total revenues | - | - | - | - | - | - | 79 | - | - | - |
| Expenditures: | | | | | | | | | | |
| Capital expenditures | - | - | - | - | - | - | - | - | - | - |
| Total expenditures | - | - | - | - | - | - | - | - | - | - |
| Other financing sources (uses): | | | | | | | | | | |
| Proceeds from issuance of debt | - | - | - | - | - | - | - | - | - | - |
| Transfers in (out) | - | - | - | - | - | - | - | - | (14,951) | - |
| Total other financing sources (uses) | - | - | - | - | - | - | - | - | (14,951) | - |
| Net change in fund balances | - | - | - | - | - | - | 79 | - | (14,951) | - |
| Fund balances (deficit), beginning of year | 200 | 8,685 | 752 | 5,590 | 1,750 | 1,550 | 6,720 | 5,955 | 14,951 | 2,251 |
| Fund balances (deficit), end of year | \$ 200 | 8,685 | 752 | 5,590 | 1,750 | 1,550 | 6,799 | 5,955 | - | 2,251 |

TOWN OF SANFORD, MAINE
Nonmajor Capital Project Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances, Continued

| | 4022 | 4023 | 4024 | 4025 | 4026 | 4027 | 4028 | 4029 | 4030 | 4031 |
|---|--------------|---------------|-------------|-------------------|-------------------|-------------------|---------------|---------------------|-------------------|---------------------|
| | Buffer | Fire/PW | Westside | EDA | Enhancement | Roundabout | Taxiways | Downtown | Land/Salt | Compact |
| | Zone | Bond | Suppl MP | Regional | Grant | Project | Related | Millyard | Airport | Thimp |
| | Protection | | Update | Airport | | Infrastructure | | Project | Road | Police |
| Revenues: | | | | | | | | | | |
| Grant revenue | - | - | - | - | - | - | - | 353,448 | - | - |
| Investment income | - | - | - | 4,088 | - | 10,532 | - | 16,591 | 5,239 | 4,423 |
| Other | - | - | - | - | - | - | - | 286,254 | - | - |
| Total revenues | - | - | - | 4,088 | - | 10,532 | - | 656,293 | 5,239 | 4,423 |
| Expenditures: | | | | | | | | | | |
| Capital expenditures | - | - | - | - | - | 903,374 | - | 1,105,443 | 270,305 | 4,839,864 |
| Total expenditures | - | - | - | - | - | 903,374 | - | 1,105,443 | 270,305 | 4,839,864 |
| Other financing sources (uses): | | | | | | | | | | |
| Proceeds from issuance of debt | - | - | - | - | - | - | - | - | - | 6,210,000 |
| Transfers in (out) | 7,682 | 27,464 | 927 | - | - | - | 86,686 | - | (82,323) | - |
| Total other financing sources (uses) | 7,682 | 27,464 | 927 | - | - | - | 86,686 | - | (82,323) | 6,210,000 |
| Net change in fund balances | 7,682 | 27,464 | 927 | 4,088 | - | (892,842) | 86,686 | (449,150) | (347,389) | 1,374,559 |
| Fund balances (deficit), beginning of year | (7,682) | (27,464) | (927) | 613,517 | (8,342) | 1,060,233 | (86,686) | 1,532,383 | 449,448 | (122,451) |
| Fund balances (deficit), end of year | \$ - | \$ - | \$ - | \$ 617,605 | \$ (8,342) | \$ 167,391 | \$ - | \$ 1,083,233 | \$ 102,059 | \$ 1,252,108 |

TOWN OF SANFORD, MAINE
Nonmajor Capital Project Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances, Continued

| | 4032 | 4033 | 4034 | 4035 | 4036 | 4037 | 4038 |
|---|-----------------------|----------------------------|-----------------|-----------------------------------|-----------------------------|------------------|-----------------------------------|
| | B&M Rail Bed Trail | Fagan Mill (Eminent) | Aerofab Mill | Airport Improvement Program | School Revolving Fund | Trane Program | Airport Improvement Program |
| | | | | | | | Totals |
| Revenues: | | | | | | | |
| Grant revenue | \$ - | - | - | 1,907,445 | - | 87,300 | 801,193 |
| Investment income | - | - | - | - | - | - | 40,952 |
| Other | - | - | - | - | - | - | 286,254 |
| Total revenues | | | | 1,907,445 | | 87,300 | 801,193 |
| Expenditures: | | | | | | | |
| Capital expenditures | - | 4,178 | - | 1,938,948 | 248,175 | 87,300 | 1,305,936 |
| Total expenditures | | 4,178 | | 1,938,948 | 248,175 | 87,300 | 1,305,936 |
| Other financing sources (uses): | | | | | | | |
| Proceeds from issuance of debt | - | - | - | - | 248,175 | - | - |
| Transfers in (out) | - | - | - | 61,201 | - | - | - |
| Total other financing sources (uses) | | | | 61,201 | 248,175 | | 6,544,861 |
| Net change in fund balances | - | (4,178) | - | 29,698 | - | - | (504,743) |
| Fund balances (deficit), beginning of year | (6,677) | (191,077) | (2,108) | (21,552) | - | - | - |
| Fund balances (deficit), end of year | \$ (6,677) | (195,255) | (2,108) | 8,146 | - | - | 2,546,949 |

NONMAJOR PERMANENT FUNDS

TOWN OF SANFORD, MAINE
Nonmajor Permanent Funds
Combining Balance Sheet
June 30, 2010

| | 7000 | 7001 | 7002 | 7003 | 7008 | 7012 | |
|--|------------------|--------------|----------------|---------------|----------------|---------------|----------------|
| | Gowen | Park | Oakdale | | Holdsworth | | |
| | Park | Maintenance | Cemetery | Nutter | Park | Goodall | Totals |
| | Trust | Fund | Perpetual | Trust | Trust | Park | |
| | Trust | | Trust | Trust | Trust | | |
| ASSETS | | | | | | | |
| Cash and cash equivalents | \$ 24,834 | 7,720 | 36,519 | 29,166 | 36,284 | 81,133 | 215,656 |
| Investments | - | - | 351,990 | - | 274,924 | - | 626,914 |
| Accounts receivable | - | - | 16,492 | - | - | - | 16,492 |
| Land (held for investment) | - | - | - | - | 109,500 | - | 109,500 |
| Total assets | \$ 24,834 | 7,720 | 405,001 | 29,166 | 420,708 | 81,133 | 968,562 |
| LIABILITIES AND FUND BALANCES | | | | | | | |
| Liabilities: | | | | | | | |
| Accounts payable | - | - | - | - | - | - | - |
| Total liabilities | - | - | - | - | - | - | - |
| Fund balances: | | | | | | | |
| Nonexpendable trust principal | - | 6,000 | - | - | - | - | 6,000 |
| Unexpended income | 24,834 | 1,720 | 405,001 | 29,166 | 420,708 | 81,133 | 962,562 |
| Total fund balances | 24,834 | 7,720 | 405,001 | 29,166 | 420,708 | 81,133 | 968,562 |
| Total liabilities and fund balances | \$ 24,834 | 7,720 | 405,001 | 29,166 | 420,708 | 81,133 | 968,562 |

TOWN OF SANFORD, MAINE
Nonmajor Permanent Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended June 30, 2010

| | 7000 | 7001 | 7002 | 7003 | 7008 | 7012 | |
|---|------------------------|-----------------------------|---|-----------------|-----------------------------|-----------------|----------------|
| | Gowen Park Trust | Park Maintenance Fund | Oakdale Cemetery Perpetual Trust | Nutter Trust | Holdsworth Park Trust | Goodall Park | Totals |
| Revenues: | | | | | | | |
| Charges for services | \$ - | - | 41,700 | - | - | - | 41,700 |
| Investment income | 33 | 35 | 17,568 | 151 | 28,653 | - | 46,440 |
| Donations | 7,728 | - | 16,492 | - | - | 20,082 | 44,302 |
| Total revenues | 7,761 | 35 | 75,760 | 151 | 28,653 | 20,082 | 132,442 |
| Expenditures: | | | | | | | |
| Recreation and culture | - | - | - | - | 18,060 | 7,574 | 25,634 |
| Public Property | - | - | 55,718 | - | - | - | 55,718 |
| Education | - | - | - | - | - | - | - |
| Total expenditures | - | - | 55,718 | - | 18,060 | 7,574 | 81,352 |
| Net change in fund balances | 7,761 | 35 | 20,042 | 151 | 10,593 | 12,508 | 51,090 |
| Fund balances, beginning of year | 17,073 | 7,685 | 384,959 | 29,015 | 410,115 | 68,625 | 917,472 |
| Fund balances, end of year | \$ 24,834 | 7,720 | 405,001 | 29,166 | 420,708 | 81,133 | 968,562 |

PRIVATE-PURPOSE TRUST FUNDS

TOWN OF SANFORD, MAINE
Combining Statement of Fiduciary Net Assets
Fiduciary Funds - Private-purpose Trust
June 30, 2010

| | 7004 | 7005 | 7007 | 7009 | 7010 | 7011 | |
|---------------------------|------------------|---------------|--------------------|---------------|--------------------|-------------------|----------------|
| | Thornburg | Lucy | William | Walter | High School | Sherburne | |
| | Goodall | Emery | Oscar Emery | Cyr | Scholarship | Basketball | |
| | Fund | Trust | Trust | Trust | Fund | Fund | Totals |
| ASSETS | | | | | | | |
| Cash and cash equivalents | \$ 1,278 | 13,728 | 20,000 | 8,380 | 61,707 | 6,907 | 112,000 |
| Investments | - | - | - | - | 616,315 | - | 616,315 |
| Total assets | \$ 1,278 | 13,728 | 20,000 | 8,380 | 678,022 | 6,907 | 728,315 |
| NET ASSETS | | | | | | | |
| Principal | 400 | - | - | - | - | 5,000 | 5,400 |
| Unexpended income | 878 | 13,728 | 20,000 | 8,380 | 678,022 | 1,907 | 722,915 |
| Total net assets | \$ 1,278 | 13,728 | 20,000 | 8,380 | 678,022 | 6,907 | 728,315 |

TOWN OF SANFORD, MAINE
Combining Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
Private-purpose Trust
For the year ended June 30, 2010

| | 7004 | 7005 | 7007 | 7009 | 7010 | 7011 | Totals |
|--------------------------------------|------------------|---------------|--------------------|---------------|--------------------|-------------------|----------------|
| | Thornburg | Lucy | William | Walter | High School | Sherburne | |
| | Goodall | Emery | Oscar Emery | Cyr | Scholarship | Basketball | |
| | Fund | Trust | Trust | Trust | Fund | Fund | |
| Additions: | | | | | | | |
| Investment income | \$ 1 | 16 | - | 42 | 50,945 | 62 | 51,066 |
| Donations | - | - | - | - | 85 | - | 85 |
| Total additions | 1 | 16 | - | 42 | 51,030 | 62 | 51,151 |
| Deductions: | | | | | | | |
| Scholarships | - | - | - | - | 13,045 | - | 13,045 |
| Total deductions | - | - | - | - | 13,045 | - | 13,045 |
| Change in net assets | 1 | 16 | - | 42 | 37,985 | 62 | 38,106 |
| Net assets, beginning of year | 1,277 | 13,712 | 20,000 | 8,338 | 640,037 | 6,845 | 690,209 |
| Net assets, end of year | \$ 1,278 | 13,728 | 20,000 | 8,380 | 678,022 | 6,907 | 728,315 |

TOWN OF SANFORD, MAINE
Fiduciary Funds
Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended June 30, 2010

| | Balance | | | Balance |
|----------------------------------|-------------------|----------------|----------------|----------------|
| | July 1, 2009 | Additions | Deductions | June 30, 2010 |
| ASSETS | | | | |
| Cash and cash equivalents | \$ 386,713 | 552,464 | 540,180 | 398,997 |
| Total assets | 386,713 | 552,464 | 540,180 | 398,997 |
| LIABILITIES | | | | |
| Held on behalf of student groups | 386,713 | 552,464 | 540,180 | 398,997 |
| Total liabilities | \$ 386,713 | 552,464 | 540,180 | 398,997 |