

Financial Statements

Town of Northport, Maine

June 30, 2012

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Town of Northport, Maine

June 30, 2012

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Independent Auditors' Report

**To the Selectboard
Town of Northport
Northport, 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 Northport, Maine, as of and for the year ended June 30, 2012, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express opinions on these basic financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Northport, Maine as of June 30, 2012, and the respective changes in financial position, and the respective budgetary comparison for the General Fund, thereof and for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's financial statements as a whole. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Purdy Powers & Company

Professional Association

Portland, Maine
October 31, 2012



TOWN OF NORTHPORT

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A community of neighbors, a tradition of caring since 1796.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Town of Northport's financial performance provides an overview of the Town's financial activities for the year ended June 30, 2012. Please read it in conjunction with the Town's financial statements.

Using this Annual Report

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Fund financial statements are presented next. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds.

Reporting the Town as a Whole

The Statement of Net Assets and the Statement of Activities

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

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

The Statement of Activities reports the current year change in net assets. This statement includes all of the current year's revenues and expenses regardless of when cash is received or paid.

- Governmental activities - Most of the Town's basic services are reported here, including the fire protection, general administration, road maintenance, funding of education to RSU # 20, county tax payments, cemetery care, health and sanitation, and recreation. Property and excise taxes, state and federal grants, and miscellaneous reimbursements and fees finance most of these activities.

Reporting the Town's Most Significant Funds Fund Financial Statements

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

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

THE TOWN AS A WHOLE

For the years ended June 30, 2012 and 2011, net assets changed as follows:

	2012	2011
Governmental Activities		
Beginning net assets	\$ 4,851,798	\$ 4,912,280
Increase (decrease) in net assets	<u>(53,308)</u>	<u>(60,482)</u>
Ending net assets	<u>\$ 4,798,490</u>	<u>\$ 4,851,798</u>

That reflects a decrease of 1.1% for governmental activities in 2012 and a 1.2% decrease in 2011.

The current state of the economy and financial instability may be reflected in the decrease in net assets for the Town.

Governmental Activities

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

General government	Building permits, planning board receipts, tax interest and charges, and fines
Health and sanitation	Transfer Station receipts and transfer station reimbursements
Public works	Local road assistance

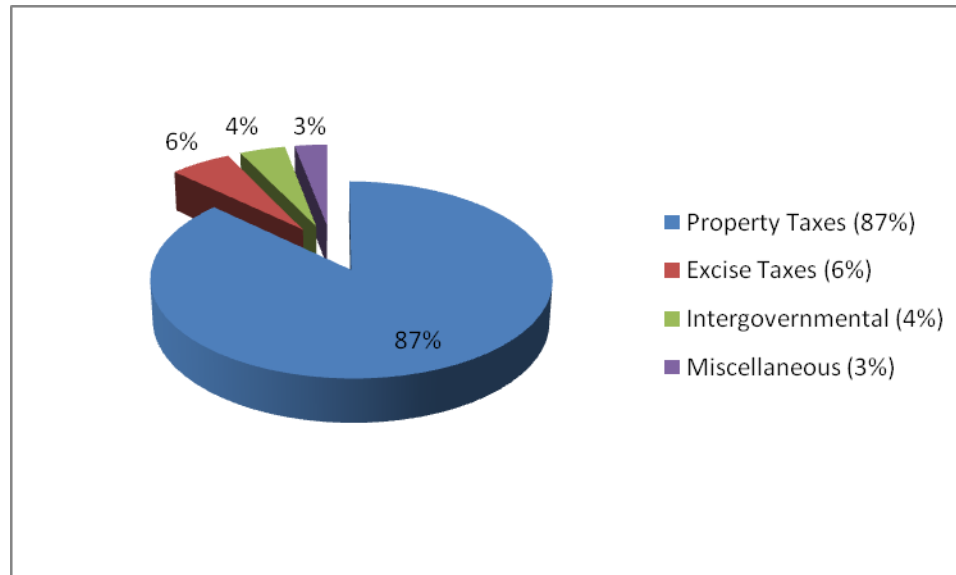
All other governmental revenues are reported as miscellaneous. It is important to note that all taxes are classified as general revenue even if restricted for a specific purpose.

THE TOWN'S FUNDS

The following schedule presents a summary of general fund revenues and expenditures for the fiscal years ended June 30, 2012, and 2011, and the amount and percentage of increases and decreases in relation to the prior year.

<u>Revenue</u>	<u>2012</u> <u>Amount</u>	<u>2011</u> <u>Amount</u>	<u>Increase</u> <u>(Decrease)</u> <u>from 2011</u>	<u>%</u> <u>Increase</u> <u>(Decrease)</u>
<i>Property taxes</i>	\$ 3,552,446	\$ 3,606,637	\$ (54,191)	(1.5%)
<i>Excise taxes</i>	232,075	233,512	(1,437)	(0.1%)
<i>Intergovernmental</i>	172,956	332,374	(159,418)	(48.0%)
<i>Miscellaneous</i>	<u>122,374</u>	<u>138,414</u>	<u>(16,040)</u>	<u>(11.6%)</u>
Total Revenue	<u>\$ 4,079,851</u>	<u>\$ 4,310,937</u>	<u>\$ (231,086)</u>	<u>(5.4%)</u>

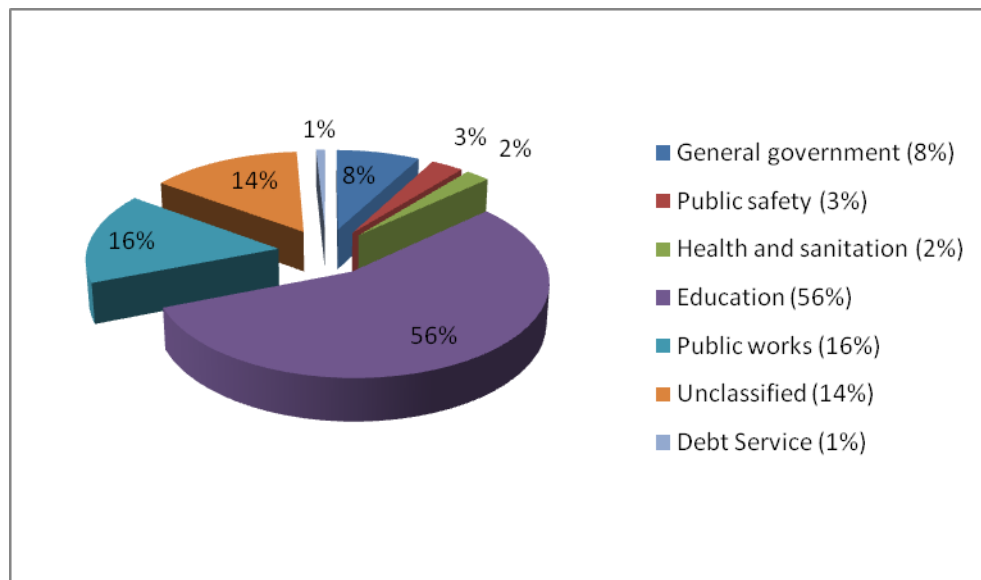
The Town's general fund operating fund revenues on a budgetary basis were as follows:



A pass through grant of \$200,000 in 2011 from the Community Development Block Grant, (CDBG) which was closed out in 2011, is reflected in the decrease in intergovernmental funds for 2012.

<u>Expenditures</u>	<u>2012</u> <u>Amount</u>	<u>2011</u> <u>Amount</u>	<u>Increase</u> <u>(Decrease)</u> <u>from 2011</u>	<u>%</u> <u>Increase</u> <u>(Decrease)</u>
General government	\$ 322,882	\$ 278,918	\$ 43,964	15.8 %
Public safety	125,658	107,074	18,584	17.4%
Health and sanitation	94,947	87,534	7,413	8.5%
Education	2,292,394	2,324,587	(32,193)	(1.4%)
Public works	652,937	524,573	128,364	24.5%
Community development	- - -	200,000	(200,000)	(100.0%)
Unclassified	581,319	654,571	(73,252)	(16.4%)
Debt Service	34,056	- - -	34,056	(100.0%)
Total Expenditures	<u>\$ 4,104,193</u>	<u>\$ 4,177,257</u>	<u>\$ (73,064)</u>	<u>(3.4%)</u>

The Town's general fund operating fund expenditures on a budgetary basis were as follows:



Expenditures remained relatively the same in 2011 and 2012, with the exception being the \$200,000 CDBG funds not present in 2012 since the account closed. An added expense in debit service reflects loan payments for the Sand and Salt Garage.

GENERAL FUND BUDGETARY HIGHLIGHTS

No budget amendments were made for the year ended June 30, 2012. The budget to actual comparison is shown on page 10.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2012, the Town had \$4 million invested in capital assets including fire trucks, equipment, buildings, and town owned roads. (See table below.)

	Governmental Activities	
	<u>June 30, 2012</u>	<u>June 30, 2011</u>
Land	\$ 129,903	\$ 129,903
Construction in Progress	- - -	12,145
Buildings	593,448	305,500
Equipment	81,450	81,450
Vehicles	444,293	434,293
Infrastructure	<u>2,732,503</u>	<u>2,713,981</u>
Totals	<u>\$ 3,981,597</u>	<u>\$ 3,677,272</u>

The completion of the Sand and Salt Garage is reflected in 2012 decrease in Construction in Progress and increase in Buildings. The addition of a newer ambulance for the First Responders also shows as an increase in Vehicles.

Debt

A construction bond of \$289,000 was used to finance the Sand and Salt Garage. The debt remaining at the end of 2012 was \$159,178. Other than this loan, the Town has no additional outstanding debt.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The uncertainty of a spring vote to withdraw from the current RSU is a financial unknown at this time. Expenses to form a new school union or tuition students elsewhere are undetermined presently and its impact on the Town's budget and mill rate remain unknown.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

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

Town of Northport
Barbara O'Leary, Administrator
16 Beech Hill Road
Northport, ME 04849
Phone: (207)338-3819

Statement of Net Assets

Town of Northport, Maine

As of June 30, 2012

	<u>Governmental Activities</u>
Assets	
Cash	\$ 1,634,210
Investments	7,944
Accounts receivable	2,457
Taxes receivable	198,719
Tax liens receivable	92,899
Tax acquired property	240
Capital assets, net of accumulated depreciation	<u>3,072,484</u>
Total Assets	5,008,953
Liabilities	
Accounts payable	48,055
Taxes paid in advance	3,230
Long-term liabilities:	
Portion due or payable within one year:	
Bond payable	30,276
Portion due or payable after one year:	
Bond payable	<u>128,902</u>
Total Liabilities	<u>210,463</u>
Net Assets	
Invested in capital assets, net of related debt	2,913,306
Restricted:	
Nonexpendable	12,580
Expendable	11,294
Unrestricted	<u>1,861,310</u>
Total Net Assets	<u>\$ 4,798,490</u>

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

Statement of Activities

Town of Northport, Maine

For the Year Ended June 30, 2012

<u>Function/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			Net (Expense)
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	Revenue and Changes in Net Assets
Governmental Activities:					Governmental Activities
General government	\$ 330,002	\$ 48,693	\$ -	\$ -	\$ (281,309)
Public safety	137,821	-	-	-	(137,821)
Health and sanitation	94,947	59,136	-	-	(35,811)
Education	2,292,394	-	-	-	(2,292,394)
Public works	694,692	-	42,144	-	(652,548)
Unclassified	582,129	4,790	2,047	-	(575,292)
Interest on long term debt	<u>4,234</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,234)</u>
Total Governmental Activities	<u>\$ 4,136,219</u>	<u>\$ 112,619</u>	<u>\$ 44,191</u>	<u>\$ -</u>	(3,979,409)
General revenues:					
Taxes:					
Property taxes					3,552,446
Excise taxes					232,075
Interest income					7,378
Intergovernmental					128,765
Miscellaneous					<u>5,437</u>
Total General Revenues					<u>3,926,101</u>
Change in Net Assets					(53,308)
Net assets at beginning of year					<u>4,851,798</u>
Net Assets at End of Year					<u>\$ 4,798,490</u>

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

Balance Sheet - Governmental Funds

Town of Northport, Maine

As of June 30, 2012

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets			
Cash	\$ 1,618,280	\$ 15,930	\$ 1,634,210
Investments	-	7,944	7,944
Accounts receivable	2,457	-	2,457
Taxes receivable	198,719	-	198,719
Tax liens	92,899	-	92,899
Tax acquired property	<u>240</u>	<u>-</u>	<u>240</u>
Total Assets	<u>\$ 1,912,595</u>	<u>\$ 23,874</u>	<u>\$ 1,936,469</u>
 Liabilities and Fund Balances			
Liabilities			
Accounts payable	\$ 48,055	\$ -	\$ 48,055
Taxes paid in advance	3,230	-	3,230
Deferred property tax revenues	<u>226,000</u>	<u>-</u>	<u>226,000</u>
Total Liabilities	277,285	-	277,285
 Fund Balances			
Nonspendable:			
Permanent funds	-	12,580	12,580
Restricted:			
Permanent funds	-	11,294	11,294
Assigned:			
General fund	659,419	-	659,419
Unassigned:			
General fund	<u>975,891</u>	<u>-</u>	<u>975,891</u>
Total Fund Balances	<u>1,635,310</u>	<u>23,874</u>	<u>1,659,184</u>
Total Liabilities and Fund Balances	<u>\$ 1,912,595</u>	<u>\$ 23,874</u>	<u>\$ 1,936,469</u>

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

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

Town of Northport, Maine

As of June 30, 2012

Total Fund Balances - Governmental Funds \$ 1,659,184

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

Capital assets used in governmental activities are not financial
resources and therefore are not reported as assets in governmental
funds. The cost of capital assets, net of accumulated depreciation is: 3,072,484

Property tax revenues are presented on the modified accrual basis
of accounting in the governmental funds but in the Statement of
Activities, property tax revenue is reported under the accrual method.
The balance in deferred property tax revenue in the governmental
funds as a liability is: 226,000

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

Bond payable (159,178)

Total Net Assets - Governmental Activities \$ 4,798,490

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

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

Town of Northport, Maine

For the Year Ended June 30, 2012

	General	Other Governmental Funds	Total Governmental Funds
	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues			
Property taxes	\$ 3,552,446	\$ -	\$ 3,552,446
Excise taxes	232,075	-	232,075
Intergovernmental	172,956	-	172,956
Miscellaneous	122,650	2,784	125,434
Total Revenues	<u>4,080,127</u>	<u>2,784</u>	<u>4,082,911</u>
Expenditures			
Current			
General government	322,882	-	322,882
Public safety	125,658	-	125,658
Health and sanitation	94,947	-	94,947
Education	2,292,394	-	2,292,394
Public works	652,937	-	652,937
Unclassified	581,719	410	582,129
Debt service - principal	29,822	-	29,822
- interest	4,234	-	4,234
Capital outlays	275,803	-	275,803
Total Expenditures	<u>4,380,396</u>	<u>410</u>	<u>4,380,806</u>
Revenues Over (Under) Expenditures	(300,269)	2,374	(297,895)
Other Financing Sources (Uses)			
Proceeds from borrowing	189,000	-	189,000
Total Other Financing Sources (Uses)	<u>189,000</u>	<u>-</u>	<u>189,000</u>
Revenues and Other Sources Over (Under) Expenditures and Other Uses	(111,269)	2,374	(108,895)
Fund balances at beginning of year	<u>1,746,579</u>	<u>21,500</u>	<u>1,768,079</u>
Fund Balances at End of Year	<u>\$ 1,635,310</u>	<u>\$ 23,874</u>	<u>\$ 1,659,184</u>

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

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

Town of Northport, Maine

As of June 30, 2012

Net Change in Fund Balances - Total Governmental Funds \$ (108,895)

Amounts reported for governmental activities in the Statement of Activities 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 depreciation expense differed from capital asset additions in the current period:

Additions to capital assets	\$ 308,325	
Depreciation expense	<u>(93,560)</u>	
		214,765

Issuance of long-term debt provides current resources to the governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets

Proceeds from borrowing	(189,000)	
Principal portion of debt service payments	<u>29,822</u>	
		<u>(159,178)</u>

Change in Net Assets of Governmental Activities \$ (53,308)

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

**Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund**

Town of Northport, Maine

For the Year Ended June 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Positive (Negative)
Revenues				
Taxes				
Property taxes	\$ 3,547,460	\$ 3,547,460	\$ 3,552,446	\$ 4,986
Excise taxes	-	232,075	232,075	-
Intergovernmental revenues				
State revenue sharing	64,532	64,532	102,899	38,367
State road assistance	-	42,144	42,144	-
Homestead exemption	17,257	17,257	15,608	(1,649)
Other	3,987	6,338	12,305	5,967
Miscellaneous revenues	-	104,711	122,374	17,663
Total Revenues	3,633,236	4,014,517	4,079,851	65,334
Expenditures				
Current				
General government	356,542	391,677	322,882	68,795
Public safety	169,568	172,876	125,658	47,218
Health and sanitation	105,476	164,614	94,947	69,667
Education	2,292,394	2,292,394	2,292,394	-
Public works	744,788	1,015,315	652,937	362,378
Unclassified	640,663	653,836	581,319	72,517
Debt service - principal	29,822	29,822	29,822	-
- interest	4,234	4,234	4,234	-
Total Expenditures	4,343,487	4,724,768	4,104,193	620,575
Revenues Over (Under) Expenditures	(710,251)	(710,251)	(24,342)	685,909
Other Financing Sources (Uses)				
Proceeds from borrowing	189,000	189,000	189,000	-
Utilization of assigned fund balance	674,048	674,048	-	(674,048)
Utilization of unassigned fund balance	200,000	200,000	-	(200,000)
Operating transfers out	(304,000)	(304,000)	(304,000)	-
Total Other Financing Sources (Uses)	759,048	759,048	(115,000)	(874,048)
Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ 48,797	\$ 48,797	(139,342)	\$ (188,139)
Budgetary fund balance at beginning of year			1,606,797	
Budgetary Fund Balance at End of Year			\$ 1,467,455	

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

Notes to Financial Statement

Town of Northport, Maine

Note A - Summary of Significant Accounting Policies

The Town of Northport, Maine operates under a Selectboard form of government. The accounting policies of the Town of Northport, Maine conform to United States generally accepted accounting principles (GAAP). The Town applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. The more significant accounting policies established in GAAP and used by the Town are discussed below.

Principles Determining Scope of Reporting Entity

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

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

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

Basis of Presentation

Government-wide Financial Statements

The statement of net assets and statement of activities report information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services for support. Currently, the Town has no business-type activities.

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

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Notes to Financial Statement - Continued

Town of Northport, Maine

Note A - Summary of Significant Accounting Policies - Continued

Fund Financial Statements

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

Governmental Activities

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

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

Special Revenue Funds are used to account for the proceeds of specific sources (other than major capital projects or expendable trusts) that are legally restricted to expenditures for specified purposes.

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

Basis of Accounting

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

Accrual

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

Modified Accrual

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

Notes to Financial Statement - Continued

Town of Northport, Maine

Note A - Summary of Significant Accounting Policies - Continued

Cash and Cash Equivalents

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

Investments

The Town follows GASBS No. 31, Accounting and Reporting of Certain Investments and External Investment Pools. Under GASBS No. 31, certain investments held by governments are reported at their fair value in the balance sheet. Unrealized gains and losses are included in the statement of revenues, expenditures and changes in fund balance.

Inventories

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

Capital Assets

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

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

Accrued Compensated Absences

Under the terms of the personnel policies, annual vacation and sick leave is granted in varying amounts. No liability is recorded for accrued compensation absences at June 30, 2012, the inclusion of which would not be material to the financial statements.

Notes to Financial Statement - Continued

Town of Northport, Maine

Note A - Summary of Significant Accounting Policies - Continued

Budget

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

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

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

Estimates

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

Interfund Activity

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

Notes to Financial Statement - Continued

Town of Northport, Maine

Note A - Summary of Significant Accounting Policies - Continued

Long-Term Obligations

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

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

Debt Issuance Costs

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

Revenue Recognition - Property Taxes

The Town's property tax for the current year was levied July 15, 2011, on the assessed value listed as of April 1, 2011, for all real and personal property located in the Town. Taxes were due September 30, 2011 and March 1, 2012. Interest on unpaid taxes commenced on October 1, 2011 and March 2, 2012, at 7% per annum.

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

The Town is permitted by the laws of the State of Maine to levy taxes up to 105% of its net budgeted expenditures for the related fiscal period. The amount raised in excess of 100% is referred to as overlay, and amounted to \$48,797 for the year ended June 30, 2012.

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

Notes to Financial Statement - Continued

Town of Northport, Maine

Note A - Summary of Significant Accounting Policies - Continued

Government-wide Fund Net Assets

Government-wide net assets are divided into three components:

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

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

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

Governmental Fund Balances

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

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

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

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

Assigned - resources neither restricted nor committed for which a government has a stated intended use as established by the Selectboard or a body or official to which the Selectboard has designated the authority to assign amounts for specific purposes.

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

Use of Restricted Resources

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

Notes to Financial Statement - Continued

Town of Northport, Maine

Note B - Cash and Investments

The Town conducts all its banking and investment transactions with its depository banks and investment firm.

Custodial Credit Risk

At June 30, 2012, the carrying amount of the Town's deposits was \$1,634,210, and the bank balance was \$1,619,601. The difference between the carrying amount and the bank balance relates to deposits in transit, outstanding checks and cash on hand at year-end.

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy on custodial credit risk. As of June 30, 2012, \$106,421 of the Town's bank balance of \$1,619,601 was exposed to credit risk as follows:

Uninsured and collateralized by pledging bank's trust department or agent but not in the Town's name	<u>\$ 106,421</u>
---	-------------------

Investments

Maine statutes authorize the Town to invest in obligations of the U.S. Treasury and U.S. agencies, repurchase agreements, certain corporate stocks and bonds and mutual funds.

Interest Rate Risk

In accordance with the Town's investment policy, to the extent possible, investment maturities will be matched with anticipated cash requirements. At June 30, 2012, the Town had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Not Applicable</u>	<u>Maturity</u>		
			<u>Less than 1 year</u>	<u>1-5 years</u>	<u>More than 5 years</u>
Corporate stocks	<u>\$ 7,944</u>	<u>\$ 7,944</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>

Notes to Financial Statement - Continued

Town of Northport, Maine

Note B - Cash and Investments - Continued

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. None of the Town's investments are held by a counterparty, therefore as of June 30, 2012, the Town had no investments subject to custodial credit risk.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit risk is minimized by diversifying investments held. At June 30, 2012, the Town had no investments subject to credit risk.

Concentration of Credit Risk

The Town does not have an investment policy on concentration of credit risk. At June 30, 2012, the Town held the following common stock which represented greater than 5% of the total investments held: AT&T \$7,560.

Notes to Financial Statement - Continued

Town of Northport, Maine

Note C - Capital Assets

A summary of capital asset activity for the year ended June 30, 2012 follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Governmental Activities:				
Non-Depreciable Assets:				
Land	\$ 129,903	\$ ---	\$ ---	\$ 129,903
Construction in Progress	12,145	---	12,145	---
Depreciable Assets:				
Buildings	305,500	287,948	---	593,448
Equipment	81,450	---	---	81,450
Vehicles	434,293	14,000	4,000	444,293
Infrastructure	<u>2,713,981</u>	<u>18,522</u>	---	<u>2,732,503</u>
Totals at historical cost	3,677,272	320,470	16,145	3,981,597
Less Accumulated Depreciation:				
Buildings	91,509	10,999	---	102,508
Equipment	78,979	1,561	---	80,540
Vehicles	211,895	20,048	4,000	227,943
Infrastructure	<u>437,170</u>	<u>60,952</u>	---	<u>498,122</u>
Total accumulated depreciation	<u>819,553</u>	<u>93,560</u>	<u>4,000</u>	<u>909,113</u>
Capital Assets, Net	<u>\$ 2,857,719</u>	<u>\$ 226,910</u>	<u>\$ 12,145</u>	<u>\$ 3,072,484</u>

Depreciation expense was charged to the following functions:

General government	\$ 7,120
Public safety	26,163
Public works	<u>60,277</u>
Total governmental activities depreciation expense	<u>\$ 93,560</u>

Notes to Financial Statement - Continued

Town of Northport, Maine

Note D - Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2012 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amount Due within One Year</u>
Governmental Activities:					
General obligation debt	\$ <u> - - -</u>	\$ <u>189,000</u>	\$ <u>(29,822)</u>	\$ <u>159,178</u>	\$ <u>30,276</u>

Long-Term Debt

At June 30, 2012 long-term debt consisted of the following:

2011 General Obligation Bond with Bangor Savings Bank for the purpose of providing partial funding for a sand/salt shed. The original borrowing was \$189,000 and is due in monthly payments of \$2,838 which includes interest at 2.60% through June 2017.

\$ 159,178

The annual requirements to amortize long-term debt are as follows:

Year ending <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 30,276	\$ 3,780	\$ 34,056
2014	31,073	2,983	34,056
2015	31,891	2,165	34,056
2016	32,730	1,326	34,056
2017	<u>33,208</u>	<u>465</u>	<u>33,673</u>
	<u>\$ 159,178</u>	<u>\$ 10,719</u>	<u>\$ 169,897</u>

Notes to Financial Statement - Continued

Town of Northport, Maine

Note E - Landfill Closure and Post Closure Costs

The Town stopped accepting solid waste at its landfill site. State and federal laws and regulations require the Town to perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. Any amounts for future post-closure landfill costs are uncertain.

Note F - Risk Management

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

Based on the coverage provided by commercial insurance purchased, the Town is not aware of any material actual or potential claim liabilities, which should be recorded at June 30, 2012.

Note G - Commitments

The Town has entered into separate agreements with unrelated third parties for certain services. Future required payments under the two agreements are as follows:

	<u>6/30/2013</u>	<u>6/30/2014</u>	<u>Total</u>
Winter Roads Plowing/Maintenance	\$ 116,000	\$ 116,000	\$ 232,000
Parking Lot Plowing	<u>12,100</u>	<u>13,100</u>	<u>25,200</u>
	<u>\$ 128,100</u>	<u>\$ 129,100</u>	<u>\$ 257,200</u>

Notes to Financial Statement - Continued

Town of Northport, Maine

Note H - Budget to Actual Reconciliation

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

Budgetary Basis:

Revenues and Other Sources Over (Under)

Expenditures and Other Uses \$ (139,342)

Sources/inflows of resources - reconciling items

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

Interest income 276

Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes 304,000

Uses/outflows of resources - reconciling items

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

Sand/Salt Shed (275,803)

Wyman Park (400)

Generally Accepted Accounting Principles Basis:

Revenues and Other Sources Over (Under)

Expenditures and Other Uses \$ (111,269)

The difference between the general fund balance reported according to generally accepted accounting principles and the general fund balance reported according to the budgetary basis of accounting is accounted by the ending balances (shown in Note I) of the Wyman Park, Fire Watch, Fire Truck Replacement, Town Wharf, Sand/Salt Shed and Marine Reserve Fund assigned fund balances.

Notes to Financial Statement - Continued

Town of Northport, Maine

Note I - Assigned Fund Balance

At June 30, 2012 the assigned general fund balance consisted of the following:

	Balance at <u>7/1/2011</u>	<u>Appropriations</u>	<u>Revenues</u>	<u>Reductions</u>	Balance at <u>6/30/2012</u>
Office Salaries	\$ 24,364	\$ 130,000	\$ ---	\$ 154,364	\$ ---
Payroll Taxes	831	22,000	---	21,159	1,672
Town Hall Maintenance	14,199	10,000	---	22,405	1,794
Legal	14,870	---	---	7,586	7,284
Planning Board	3,332	---	270	2,014	1,588
Code Enforcement Officer	11,446	18,500	3,951	20,168	13,729
Fire Department	14,618	35,000	1,959	46,419	5,158
First Response Medical Team	28,626	13,200	---	23,440	18,386
Insurance	3,123	30,000	---	20,898	12,225
Animal Control	3,062	8,500	1,153	7,441	5,274
Roads and Bridges	379,519	100,000	270,527	485,604	264,442
Snow Removal and Sanding	65,269	200,000	---	265,269	---
Cemetery	2,913	12,000	1,110	10,782	5,241
Cemetery Development	---	10,000	---	1,986	8,014
General Assistance	10,745	---	2,047	3,211	9,581
Wyman Needy Fund	920	---	---	920	---
Snowmobile Reimbursement	212	---	305	212	305
Northport Harbor Fund	41,893	---	9,411	4,629	46,675
Northport Needy Families	630	---	---	---	630
Northport Warm Neighbors Fund	---	---	300	---	300
Transfer Station	53,476	52,000	59,138	94,947	69,667
Wyman Park	4,465	---	6	400	4,071
Fire Watch	798	---	1	---	799
Fire Truck Replacement	98,155	15,000	201	---	113,356
Town Wharf	2,423	---	4	---	2,427
Sand/Salt Shed	2,710	---	289,003	275,803	15,910
Marine Reserve Fund	31,231	---	60	---	31,291
Municipal Revenue Sharing	(22,013)	---	102,898	64,532	16,353
Nature Conservancy	325	---	325	325	325
Tree Growth reimbursement	935	---	1,324	935	1,324
BETE exemption reimbursement	(30)	---	623	361	232
Veterans Exemption reimb.	2,024	---	1,112	2,024	1,112
Homestead reimbursement	1,904	---	15,608	17,258	254
	<u>\$ 796,975</u>	<u>\$ 656,200</u>	<u>\$ 761,336</u>	<u>\$ 1,555,092</u>	<u>\$ 659,419</u>

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

Town of Northport, Maine

As of June 30, 2012

	<u>Cemetery</u>	<u>Wyman Needy</u>	<u>Christmas Charity</u>	<u>Total</u>
Assets				
Cash and cash equivalents	\$ 7,693	\$ 5,684	\$ 2,553	\$ 15,930
Investments	<u>7,944</u>	<u>-</u>	<u>-</u>	<u>7,944</u>
Total Assets	<u>\$ 15,637</u>	<u>\$ 5,684</u>	<u>\$ 2,553</u>	<u>\$ 23,874</u>
 Liabilities and Fund Balances				
Liabilities				
Due to other funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Fund Balances				
	<u>15,637</u>	<u>5,684</u>	<u>2,553</u>	<u>23,874</u>
Total Liabilities and Fund Balances	<u>\$ 15,637</u>	<u>\$ 5,684</u>	<u>\$ 2,553</u>	<u>\$ 23,874</u>

See accompanying independent auditors' report.

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

Town of Northport, Maine

For the Year Ended June 30, 2012

	<u>Cemetery</u>	<u>Wyman Needy</u>	<u>Christmas Charity</u>	<u>Total</u>
Revenues				
Interest income	\$ 44	\$ 9	\$ 5	\$ 58
Net investment return	1,355	-	-	1,355
Contributions	<u>700</u>	<u>671</u>	<u>-</u>	<u>1,371</u>
Net Revenues	2,099	680	5	2,784
Expenditures				
Current	<u>410</u>	<u>-</u>	<u>-</u>	<u>410</u>
Total Expenditures	<u>410</u>	<u>-</u>	<u>-</u>	<u>410</u>
Revenues Over (Under) Expenditures	1,689	680	5	2,374
Fund balances at beginning of year	<u>13,948</u>	<u>5,004</u>	<u>2,548</u>	<u>21,500</u>
Fund Balances at End of Year	<u>\$ 15,637</u>	<u>\$ 5,684</u>	<u>\$ 2,553</u>	<u>\$ 23,874</u>

See accompanying independent auditors' report.

Schedule of Valuation, Assessment and Collection of Taxes

Town of Northport, Maine

For the Year Ended June 30, 2012

Valuation

Real estate	\$ 286,016,080
Personal property	<u>2,395,300</u>

Total Valuation \$ 288,411,380

Assessment

Valuation x Rate - \$288,411,380 x .01230	\$ 3,547,460
Supplemental taxes	<u>4,986</u>

Total Assessment Charged to Tax Collector \$ 3,552,446

Collection and Credits

Cash collections	\$ 3,352,998
Tax abatements	<u>729</u>

Total Collection and Credits 3,353,727

2012 Taxes Receivable - June 30, 2012 \$ 198,719

See accompanying independent auditors' report.

Schedule of Departmental Operations (1 of 3)

Town of Northport, Maine

For the Year Ended June 30, 2012

	Beginning Balance	Appropriations	Other Credits	Total Available	Expended	Balances	
						Lapsed	Carried
General Government							
Town charges	\$ -	\$ 50,000	\$ 30,990	\$ 80,990	\$ 69,118	\$ 11,872	\$ -
Bank fees and service charges	-	-	-	-	559	(559)	-
Office salaries	24,364	130,000	-	154,364	135,640	18,724	-
Payroll taxes	831	22,000	-	22,831	21,159	-	1,672
Employee benefits	-	22,000	-	22,000	19,233	2,767	-
Contingency	-	10,000	(76)	9,924	-	9,924	-
Town Hall maintenance	14,199	10,000	-	24,199	22,405	-	1,794
Legal	14,870	-	-	14,870	7,586	-	7,284
Planning Board	3,332	-	270	3,602	2,014	-	1,588
Code Enforcement Officer	11,446	18,500	3,951	33,897	20,168	-	13,729
Northport Village Corp.	-	25,000	-	25,000	25,000	-	-
	<u>69,042</u>	<u>287,500</u>	<u>35,135</u>	<u>391,677</u>	<u>322,882</u>	<u>42,728</u>	<u>26,067</u>
Public Safety							
Fire department	14,618	35,000	1,959	51,577	46,419	-	5,158
Fire department chief's salary	-	20,800	-	20,800	14,625	6,175	-
Emergency management	-	2,000	-	2,000	2,000	-	-
Ambulance	-	10,639	-	10,639	10,639	-	-
First response medical team	28,626	13,200	-	41,826	23,440	-	18,386
E911 signs	-	-	196	196	196	-	-
Insurance	3,123	30,000	-	33,123	20,898	-	12,225
Animal control	3,062	8,500	1,153	12,715	7,441	-	5,274
	<u>49,429</u>	<u>120,139</u>	<u>3,308</u>	<u>172,876</u>	<u>125,658</u>	<u>6,175</u>	<u>41,043</u>

See accompanying independent auditors' report.

Schedule of Departmental Operations (2 of 3)

Town of Northport, Maine

For the Year Ended June 30, 2012

	Beginning	Appropriations	Other	Total	Expended	Balances	
	Balance		Credits	Available		Lapsed	Carried
Public Works							
Roads and bridges	\$ 379,519	\$ 100,000	\$ 270,527	\$ 750,046	\$ 485,604	\$ -	\$ 264,442
Snow removal and sanding	65,269	200,000	-	265,269	167,333	97,936	-
	<u>444,788</u>	<u>300,000</u>	<u>270,527</u>	<u>1,015,315</u>	<u>652,937</u>	<u>97,936</u>	<u>264,442</u>
Unclassified							
Cemetery	2,913	12,000	1,110	16,023	10,782	-	5,241
Cemetery development	-	10,000	-	10,000	1,986	-	8,014
Social services	-	7,000	-	7,000	7,000	-	-
Belfast Free Library	-	3,500	-	3,500	3,500	-	-
County tax	-	545,850	-	545,850	545,850	-	-
General assistance	10,745	-	2,047	12,792	3,211	-	9,581
Wyman Needy Fund	920	-	-	920	920	-	-
Snowmobile club payment	212	-	305	517	212	-	305
Northport Harbor Fund	41,893	-	9,411	51,304	4,629	-	46,675
Northport needy families	630	-	-	630	-	-	630
Northport scholarship	-	5,000	-	5,000	2,500	2,500	-
Northport Warm Neighbors Fund	-	-	300	300	-	-	300
Abatements	-	-	-	-	729	(729)	-
	<u>57,313</u>	<u>583,350</u>	<u>13,173</u>	<u>653,836</u>	<u>581,319</u>	<u>1,771</u>	<u>70,746</u>

See accompanying independent auditors' report.

Schedule of Departmental Operations (3 of 3)

Town of Northport, Maine

For the Year Ended June 30, 2012

	Beginning	Appropriations	Other	Total	Expended	Balances	
	Balance		Credits	Available		Lapsed	Carried
Education	\$ -	\$ 2,292,394	\$ -	\$ 2,292,394	\$ 2,292,394	\$ -	\$ -
Health & Sanitation							
Transfer station	53,476	52,000	59,138	164,614	94,947	-	69,667
	<u>53,476</u>	<u>52,000</u>	<u>59,138</u>	<u>164,614</u>	<u>94,947</u>	<u>-</u>	<u>69,667</u>
Debt Service	-	34,056	-	34,056	34,056	-	-
Assigned Accounts							
Wyman Park	4,465	-	6	4,471	400	-	4,071
Fire Watch	798	-	1	799	-	-	799
Fire Truck Replacement	98,155	15,000	201	113,356	-	-	113,356
Town Wharf	2,423	-	4	2,427	-	-	2,427
Sand/Salt Shed	2,710	-	289,003	291,713	275,803	-	15,910
Marine Reserve Fund	31,231	-	60	31,291	-	-	31,291
	<u>139,782</u>	<u>15,000</u>	<u>289,275</u>	<u>444,057</u>	<u>276,203</u>	<u>-</u>	<u>167,854</u>
	<u>\$ 813,830</u>	<u>\$ 3,684,439</u>	<u>\$ 670,556</u>	<u>\$ 5,168,825</u>	<u>\$ 4,380,396</u>	<u>\$ 148,610</u>	<u>\$ 639,819</u>

See accompanying independent auditors' report.