

TOWN OF CAMDEN, MAINE

Annual Financial Report

For The Fiscal Year Ended June 30, 2010

Runyon

CERTIFIED PUBLIC ACCOUNTANTS

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AND BUSINESS CONSULTANTS

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TOWN OF CAMDEN, MAINE
Annual Financial Report
For the Year Ended June 30, 2010

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Independent Auditor's Report

Select Board
Town of Camden, Maine

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Town of Camden, 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'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 basic 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, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Camden, Maine as of and for the year ended June 30, 2010, and the respective changes in financial position, and, where applicable, cash flows thereof 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 our report dated October 12, 2010, on our consideration of the Town of Camden, 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.

Select Board
Town of Camden, Maine

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not 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 of Camden, Maine's financial statements as a whole. The combining and individual fund financial statements are presented for the purpose of additional analysis and are not a required part of 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 basic financial statements taken as a whole.



October 12, 2010
South Portland, Maine

TOWN OF CAMDEN, MAINE
Management's Discussion and Analysis
For the Year Ended June 30, 2010

Introduction

As the Financial Director of the Town of Camden, Maine, I am pleased to provide you with the Management Discussion and Analysis report as part of our annual financial statements for the fiscal year ending June 30, 2010 according to the standards set forth under Governmental Accounting Standards Board Statement No. 34, also known as GASB 34.

Financial Highlights

- The financial statements attached reflect all of the governmental, business-type and fiduciary funds of the Town of Camden, Maine. Total governmental and business-type assets were \$16,988,573. Total governmental and business-type liabilities were \$3,286,805 and net assets were \$13,701,768. Of this figure, \$7,901,026 is invested in capital assets, net of related debt and \$1,052,583 is restricted for non-expendable trust principal. The remaining \$4,748,159 is unrestricted.
- The Town of Camden's net assets increased by \$141,036.
- As of the close of the most recent fiscal year, the Town of Camden's governmental funds reported combined ending fund balances of \$5,684,293, a decrease of \$233,092 in comparison with the prior year.
- At the end of the most recent fiscal year, unreserved, undesignated fund balance for the general fund was \$1,851,347, or 11.1% of total general fund expenditures of \$16,622,811.

Overview of the Financial Statements

This report is intended to serve as a helpful tool that will assist the reader and provide information about the Town of Camden's basic financial statements. The Town's financial statements can be separated into three groups: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. Other supplemental information to the basic financial statements is also provided.

Government-wide Financial Statements. The *government-wide financial statements* provide a broad overview of the Town of Camden, Maine's finances. The two statements used are the Statement of Net Assets and the Statement of Activities. Both statements include all Town assets and liabilities using the *accrual basis of accounting*.

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

Both of the government-wide financial statements distinguish between the 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*). The Camden Snow Bowl is a business-type activity. Governmental activities include administration, public safety, public works, recreation programs, county tax, education, charitable aid, cemetery care, debt service and capital maintenance expenses.

The government-wide financial statements can be found on pages 11 and 12.

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

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 Camden, Maine, 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 services. Money flowing into and out of accounts can be tracked here. Balances left at year-end that are available for spending will also be reported here. 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 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 13 and 14.

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 Camden, Maine's programs.

The fiduciary funds financial statements can be found on page 20.

Proprietary funds are used to report charges to customers for services provided by the Town. The Camden Snow Bowl is in a proprietary fund. 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 proprietary funds financial statements can be found on pages 17-19.

The Town of Camden, Maine as Trustee

The Town of Camden, Maine is trustee, or fiduciary, for assets (because of trust arrangements) that can be used only for the benefit of the trust's beneficiaries. The Camden Cemetery Association is reported in this category. This fiduciary activity is reported on page 20 of the audit report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 21-35 of this report.

Other information. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the basic financial statements. Combining and individual fund statements and schedules can be found on pages 39-65 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Town of Camden, Maine, assets exceeded liabilities by \$13,701,768 at the close of the most recent fiscal year.

A portion of the Town of Camden, Maine's net assets (58%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

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

Town of Camden's Net Assets

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Current and other assets	\$ 6,165,815	\$ 6,388,049	\$ 109,413	\$ 78,893	\$ 6,275,228	\$ 6,466,942
Capital assets	10,259,457	10,227,156	453,888	487,959	10,713,345	10,715,115
Total assets	16,425,272	16,615,205	563,301	566,852	16,988,573	17,182,057
Long-term liabilities outstanding	3,118,106	3,386,919	22,504	37,099	3,140,610	3,424,018
Other liabilities	146,195	197,307	-	-	146,195	197,307
Total liabilities	3,264,301	3,584,226	22,504	37,099	3,286,805	3,621,325
Net assets:						
Invested in capital assets, net of related debt	7,447,138	7,140,075	453,888	471,304	7,901,026	7,611,379
Restricted	1,052,583	1,904,539	-	-	1,052,583	1,904,539
Unrestricted	4,661,250	3,986,365	86,909	58,449	4,748,159	4,044,814
Total net assets	\$ 13,160,971	\$ 13,030,979	\$ 540,797	\$ 529,753	\$ 13,701,768	\$ 13,560,732

An additional portion of the Town of Camden, Maine's net assets (8 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (\$4,748,159) may be used to meet the Town's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Town of Camden, Maine is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

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

Town of Camden's Changes in Net Assets

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Revenues:						
Program revenues:						
Charges for services	\$ 1,879,643	\$ 1,274,252	\$ 609,692	\$ 574,938	\$ 2,489,335	\$ 1,849,190
Operating grants and contributions	104,433	355,644	-	-	104,433	355,644
Capital grants and contributions	-	-	-	-	-	-
General revenues:						
Property taxes	14,563,526	14,355,493	-	-	14,563,526	14,355,493
Excise taxes	789,768	799,327	-	-	789,768	799,327
Grants not restricted to specific programs	396,482	466,634	-	-	396,482	466,634
Other	180,610	211,000	-	-	180,610	211,000
Total revenues	17,914,462	17,462,350	609,692	574,938	18,524,154	18,037,288
Expenses:						
General government	3,161,032	3,041,388	-	-	3,161,032	3,041,388
Public safety	1,643,606	1,647,720	-	-	1,643,606	1,647,720
Highways, streets and bridges	1,126,905	1,163,742	-	-	1,126,905	1,163,742
Human services	91,436	68,205	-	-	91,436	68,205
Leisure services	840,116	862,398	-	-	840,116	862,398
Cemeteries	95,198	97,643	-	-	95,198	97,643
Contingency	-	-	-	-	-	-
Education	9,547,373	9,168,726	-	-	9,547,373	9,168,726
Solid waste, sewer and other	1,010,777	1,032,934	-	-	1,010,777	1,032,934
Debt service	97,301	129,931	-	-	97,301	129,931
Noncapital maintenance expenses	115,726	-	-	-	115,726	-
Camden Snow Bowl	-	-	653,648	602,779	653,648	602,779
Total expenses	17,729,470	17,212,687	653,648	602,779	18,383,118	17,815,466
Increase (decrease) in net assets before transfers	184,992	249,663	(43,956)	(27,841)	141,036	221,822
Transfers	(55,000)	(90,000)	55,000	90,000	-	-
Increase (decrease) in net assets	129,992	159,663	11,044	62,159	141,036	221,822
Net assets—July 1	13,030,979	12,871,316	529,753	467,594	13,560,732	13,338,910
Net assets—June 30	\$ 13,160,971	\$ 13,030,979	\$ 540,797	\$ 529,753	\$ 13,701,768	\$ 13,560,732

The Town of Camden, Maine's net assets increased by \$141,036 (1%) during the current fiscal year. The increase in net assets for governmental activities was primarily the result of reduced spending. The increase in net assets in business-type activities was the result of higher revenues collected.

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

Financial Highlights (Fund Financial Statements)

The difference between the Town of Camden, Maine's assets and liabilities is called "fund balance". Fund balance can be broken down into two categories, designated and undesignated. The Town's fund balance was \$2,025,740 on June 30, 2010 (general fund only). Of this, the undesignated amount was \$1,851,347 and the designated amount was \$174,393. Designated funds are carried into the fiscal year 2010-2011 budget and used for projects that are ongoing or uncompleted at fiscal year-end. The total fund balance for the General Fund decreased \$219,102 from the June 30, 2009 fund balance of \$2,245,802.

The Town reported two other major funds in 2010 (Statement 3 and Statement 4). The sewer operations fund ended the year with a fund balance of \$439,990, a decrease from 2009 of \$50,792. The Charles Wood fund had an ending fund balance at June 30, 2010 of \$1,246,361 which was an increase from 2009 of \$53,626. Of the fund balance total of \$1,246,361, \$902,731 was restricted for nonexpendable trust principal. All other governmental funds are reported in the aggregate as nonmajor funds on Statement 3 and Statement 4 as "Other Governmental Funds". Detail of these funds can be seen in the exhibits following the footnotes starting on page 49.

The Town's business-type activity, the Camden Snow Bowl, realized an increase in "operating" revenues of \$34,754 or 6%. Snow Bowl "operating" expenses decreased \$2,941 or less than 1%. Final figures at year-end indicated a "net loss" before transfers of \$(43,956). Cash on hand was \$13,072.

The original budget as presented on Statement 6 was revised by adding \$366,211 to the expenditure budget for prior year carryforward balances.

Revenues collected in the General Fund were over budget expectations by \$3,944, primarily due to license and permit fees which were \$32,795 over the projected budget. Offsetting the excess revenues in license and permit fees were tax revenues which were \$46,083 under the projected budget. Other revenues made up for remainder of the excess over budgeted amounts. Expenditures were under budget by \$292,205; however, of this amount \$174,393 was carried forward as designated fund balance for ongoing projects.

Capital Asset and Debt Administration

Capital assets. The Town of Camden, Maine's investment in capital assets for its governmental and business-type activities as of June 30, 2010, amounts to \$10,713,345 (net of accumulated depreciation). This investment in capital assets includes land and buildings, furniture and equipment, vehicles and infrastructure. The total decrease in the Town of Camden, Maine's investment in capital assets for the current fiscal year was \$1,770.

Major capital asset events during the recently ended fiscal year included the following:

- \$56,200 to replace a ¾ ton pick-up truck with plow, loader maintenance, and the purchase of a hot water pressure washer.
- \$100,000 to upgrade the drainage system on Willow Street.

It should be noted that due to a tight budget year many capital projects and reserve accounts for future planned expenditures were not funded in this budget.

Additional information on the Town of Camden, Maine's capital assets can be found in the notes to the basic financial statements on pages 28-29 of this report.

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

The Town did incur changes in long-term liabilities. Outstanding bonds and notes began with a balance of \$2,851,330. "Retired" debt was \$247,569 ending the fiscal year with a balance of \$2,603,761 in outstanding long-term debt. Capital leases, another long-term liability added \$53,663 in new leases and retired \$80,856 ending with a balance \$208,558. Total long-term liabilities as of June 30, 2010 were \$3,118,106, a decrease of \$268,813 over the prior year. Additional information on the Town of Camden, Maine's long-term debt activity can be found in the notes to the basic financial statements on pages 31-32 of this report.

Assets

Cash, Cash Equivalents and Investments

General Fund assets decreased during this reporting period \$320,112. Assets for FY 2010 were \$3,563,411 and assets for FY 2009 were \$3,883,523. Investments decreased \$551,250.

Receivables

The Town of Camden, Maine continues to have an "excellent" tax collection rate with 94.78% of outstanding taxes collected as of FY 2010 compared to 95.98% in 2009, which was down due to one major property going to lien. When necessary, unpaid *prior* year real estate taxes are collected using the tax lien process. Personal property taxes are collected in Small Claims Court. The total *actual* amount of revenue for real estate taxes, personal property taxes and excise taxes (including interest, costs and the State's Homestead reimbursement) less abatements, refunds and a change in deferred property tax revenue of (\$59,000) for FY 2010 was \$15,439,512. This is \$46,083 less than the original budgeted amount of \$15,485,595. In comparison, the FY 2009 amount of tax revenue less than the original budget was \$95,297. We continue to meet tax revenue budget expectations which accounts for approximately 94% of the total revenues collected by the Town.

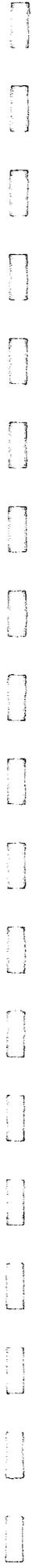
Expenditures

In comparing expenditures for FY 2010 to the prior year, total *actual* expenditures in the General Fund increased \$330,951. Capital improvements and reserves decreased by \$140,599. Highways, streets and bridges increased \$29,040. Debt service increased \$2,043. Education increased \$378,647 and county tax decreased \$26,069.

Request for Information

This financial report is designed to provide a general overview of the Town of Camden, Maine's finances for all those with an interest in the government's finances. Questions concerning any of the information should be addressed to the Finance Director, Town of Camden, Maine, P.O. Box 1207, Camden, Maine 04843.

BASIC FINANCIAL STATEMENTS



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

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 243,474	13,072	256,546
Investments	4,824,145	-	4,824,145
Receivables:			
Accounts (net of allowance of \$2,676)	281,170	-	281,170
Taxes receivable - current year	758,929	-	758,929
Taxes receivable - prior year	-	-	-
Tax and sewer liens	138,247	-	138,247
Tax acquired property	16,191	-	16,191
Internal balances	(96,341)	96,341	-
Nondepreciable capital assets	1,441,904	160,000	1,601,904
Depreciable capital assets, net	8,817,553	293,888	9,111,441
Total assets	16,425,272	563,301	16,988,573
LIABILITIES			
Accounts payable and other current liabilities	112,522	-	112,522
Accrued interest	33,673	-	33,673
Noncurrent liabilities:			
Due within one year	325,147	-	325,147
Due in more than one year	2,792,959	22,504	2,815,463
Total liabilities	3,264,301	22,504	3,286,805
NET ASSETS			
Invested in capital assets, net of related debt	7,447,138	453,888	7,901,026
Restricted for:			
Nonexpendable trust principal	1,955,314	-	1,955,314
Unrestricted	3,758,519	86,909	3,845,428
Total net assets	\$ 13,160,971	540,797	13,701,768

See accompanying notes to financial statements.

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

Functions/programs	Program revenues			Net (expense) revenue and changes in net assets			
	Expenses	Charges for services	Operating grants and contributions	Capital grants and contributions	Primary Government		
					Governmental activities	Business-type activities	Total
Primary government:							
Governmental activities:							
General government	\$ 3,160,072	171,261	-	-	(2,988,811)	(2,988,811)	
Public safety	1,643,606	22,111	-	-	(1,621,495)	(1,621,495)	
Highways, streets and bridges	1,126,905	-	54,436	-	(1,072,469)	(1,072,469)	
Human services	91,436	-	-	-	(91,436)	(91,436)	
Leisure services	840,116	219,155	16,299	-	(604,662)	(604,662)	
Cemeteries	95,198	128,029	-	-	32,831	32,831	
Education	9,547,373	-	-	-	(9,547,373)	(9,547,373)	
Solid waste, sewer and other	1,010,777	1,332,401	25,655	-	347,279	347,279	
Interest on debt service	97,301	-	8,043	-	(89,258)	(89,258)	
Non-capital maintenance expenses	115,726	6,686	-	-	(109,040)	(109,040)	
Total governmental activities	17,728,510	1,879,643	104,433	-	(15,744,434)	(15,744,434)	
Business-type activities:							
Camden Snow Bowl	653,648	609,692	-	-	(43,956)	(43,956)	
Total business-type activities	653,648	609,692	-	-	(43,956)	(43,956)	
Total primary government	\$ 18,382,158	2,489,335	104,433	-	(15,744,434)	(15,788,390)	
General revenues:							
Property taxes, levied for general purposes				14,563,526	-	14,563,526	
Interest and costs on taxes				59,119	-	59,119	
Motor vehicle excise taxes				789,768	-	789,768	
Franchise taxes				58,201	-	58,201	
Grants and contributions not restricted to specific programs:							
Homestead exemption				86,059	-	86,059	
Other State aid				8,410	-	8,410	
State Revenue Sharing				302,013	-	302,013	
Unrestricted investment earnings				19,905	-	19,905	
Miscellaneous revenues				42,425	-	42,425	
Transfers				(55,000)	55,000	-	
Total general revenues and transfers				15,874,426	55,000	15,929,426	
					Change in net assets	11,044	141,036
					Net assets - beginning	13,030,979	13,560,732
					Net assets - ending	\$ 13,160,971	13,701,768

See accompanying notes to financial statements.

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

	General	Sewer Operations Fund	Charles Wood Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash	\$ 14,818	-	76,035	152,621	243,474
Investments	2,591,004	-	1,156,647	1,076,494	4,824,145
Receivables:					
Accounts (net of allowance of \$2,676)	44,912	215,499	-	2,275	262,686
Taxes receivable - current year	758,929	-	-	-	758,929
Taxes receivable - prior year	-	-	-	-	-
Tax and sewer liens	137,557	690	-	-	138,247
Tax acquired property	16,191	-	-	-	16,191
Interfund loans receivable	-	223,801	15,000	816,030	1,054,831
Total assets	\$ 3,563,411	439,990	1,247,682	2,047,420	7,298,503
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	78,418	-	1,321	23,956	103,695
Interfund loans payable	1,081,426	-	-	51,262	1,132,688
Deferred tax revenue	369,000	-	-	-	369,000
Other deferred revenue	8,827	-	-	-	8,827
Total liabilities	1,537,671	-	1,321	75,218	1,614,210
Fund balances:					
Reserved for:					
Nonexpendable trust principal	-	-	902,731	1,052,583	1,955,314
Unreserved, reported in:					
General fund - designated	174,393	-	-	-	174,393
General fund - undesignated	1,851,347	-	-	-	1,851,347
Special revenue funds - reserves	-	397,936	-	-	397,936
Special revenue funds - designated	-	6,500	-	-	6,500
Special revenue funds - undesignated	-	35,554	-	764,367	799,921
Permanent funds	-	-	343,630	155,252	498,882
Total fund balances	2,025,740	439,990	1,246,361	1,972,202	5,684,293
Total liabilities and fund balances	\$ 3,563,411	439,990	1,247,682	2,047,420	
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.					10,259,457
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.					369,000
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported in the funds.					
Bonds payable					(2,603,761)
Capital leases					(208,558)
Accrued interest					(33,673)
Accrued compensated absences					(305,787)
Net assets of governmental activities					\$ 13,160,971

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

	General	Sewer Operations Fund	Charles Wood Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 15,439,512	-	-	-	15,439,512
Intergovernmental	381,118	-	-	25,655	406,773
Licenses and permits	145,595	-	-	-	145,595
Charges for services	291,335	726,091	-	-	1,017,426
Interest income	19,905	-	30,625	26,104	76,634
Contributions	-	-	-	75,143	75,143
Realized and unrealized gains (losses)	-	-	79,996	64,142	144,138
Other	141,021	60	-	408,200	549,281
Total revenues	16,418,486	726,151	110,621	599,244	17,854,502
Expenditures:					
Current:					
General government	1,334,853	-	-	68,115	1,402,968
Public safety	1,595,395	-	-	11,799	1,607,194
Highways, streets and bridges	1,099,895	-	-	-	1,099,895
Human services	20,053	-	-	71,383	91,436
Leisure services	813,521	-	-	23,593	837,114
Cemeteries	74,179	-	-	21,019	95,198
Contingency	25,096	-	-	-	25,096
Education	9,547,373	-	-	-	9,547,373
County tax	1,110,012	-	-	-	1,110,012
Solid waste	256,292	-	-	-	256,292
Sewer operations	-	637,720	-	-	637,720
Unclassified	-	-	56,995	433,599	490,594
Debt service	428,696	-	-	-	428,696
Capital improvements and reserves	317,446	139,223	-	-	456,669
Total expenditures	16,622,811	776,943	56,995	629,508	18,086,257
Excess (deficiency) of revenues over (under) expenditures	(204,325)	(50,792)	53,626	(30,264)	(231,755)
Other financing sources (uses):					
Proceeds from capital lease	53,663	-	-	-	53,663
Transfers from other funds	-	-	-	14,400	14,400
Transfers to other funds	(69,400)	-	-	-	(69,400)
Total other financing sources (uses)	(15,737)	-	-	14,400	(1,337)
Net change in fund balances	(220,062)	(50,792)	53,626	(15,864)	(233,092)
Fund balances, beginning of year, as restated	2,245,802	490,782	1,192,735	1,988,066	5,917,385
Fund balances, end of year	\$ 2,025,740	439,990	1,246,361	1,972,202	5,684,293

See accompanying notes to financial statements.

TOWN OF CAMDEN, 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)	\$	(233,092)
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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 (\$489,444) exceeded depreciation expense (\$457,143) in the current period.

32,301

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

59,000

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental funds. This is the change in accrued compensated absences (\$5,949) and accrued interest (\$2,970).

(2,979)

Bond and capital lease proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond and 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 of bond repayments.

247,569

This is the amount by which lease repayments (\$80,856) exceeded proceeds (\$53,663).

27,193

Change in net assets of governmental activities (see Statement 2)	\$	129,992
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See accompanying notes to financial statements.

TOWN OF CAMDEN, 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	\$ 15,485,595	15,485,595	15,439,512	(46,083)
Intergovernmental	398,125	398,125	381,118	(17,007)
Licenses and permits	112,800	112,800	145,595	32,795
Charges for services	275,879	275,879	291,335	15,456
Interest earned	35,000	35,000	19,905	(15,095)
Other	107,143	107,143	141,021	33,878
Total revenues	16,414,542	16,414,542	16,418,486	3,944
Expenditures:				
Current:				
General government	1,338,670	1,390,555	1,292,208	98,347
Public safety	1,633,505	1,681,145	1,595,395	85,750
Highways, streets and bridges	1,092,760	1,183,826	1,099,895	83,931
Health and welfare	20,053	20,053	20,053	-
Leisure services	835,921	850,651	833,521	17,130
Cemeteries	71,069	75,551	74,179	1,372
Contingency	50,000	82,180	25,096	57,084
Unclassified	10,793,608	10,793,608	10,956,322	(162,714)
Debt service	523,356	523,356	428,696	94,660
Capital improvements and reserves	156,200	280,428	263,783	16,645
Total expenditures	16,515,142	16,881,353	16,589,148	292,205
Excess (deficiency) of revenues over (under) expenditures	(100,600)	(466,811)	(170,662)	296,149
Other financing sources (uses):				
Transfers out	(49,400)	(49,400)	(49,400)	-
Utilization of prior year surplus	150,000	150,000	150,000	-
Utilization of carryforward balances	-	366,211	-	(366,211)
Total other financing sources (uses)	100,600	466,811	100,600	(366,211)
Net change in fund balance, budgetary basis	-	-	(70,062)	(70,062)
Reconciliation to GAAP:				
Utilization of fund balance			(150,000)	
Net change in fund balance, GAAP basis			(220,062)	
Fund balance, beginning of year, as restated			2,245,802	
Fund balance, end of year	\$		2,025,740	

See accompanying notes to financial statements.

TOWN OF CAMDEN, MAINE
Statement of Net Assets
Proprietary Funds
June 30, 2010

Business-type Activities - Enterprise Funds		Camden Snow Bowl
ASSETS		
Current assets:		
Cash	\$	13,072
Interfund loans receivable		96,341
Total current assets		109,413
Noncurrent assets:		
Property, plant, and equipment		1,099,935
Less accumulated depreciation		(646,047)
Total noncurrent assets		453,888
Total assets		563,301
LIABILITIES		
Current liabilities:		
Accrued compensated absences		22,504
Total current liabilities		22,504
NET ASSETS		
Invested in capital assets, net of related debt		453,888
Unrestricted		86,909
Total net assets	\$	540,797

See accompanying notes to financial statements.

TOWN OF CAMDEN, MAINE
Statement of Revenues, Expenses and Changes in Net Assets
Proprietary Funds
For the year ended June 30, 2010

Business-type Activities - Enterprise Funds	
	Camden Snow Bowl
Operating revenues:	
Lift tickets	\$ 342,017
Toboggan and tube income	82,831
Lesson and racing fees	89,878
Rental income	63,761
Food and merchandise	15,019
Other	16,186
Total operating revenues	609,692
Operating expenses:	
Administration	143,853
Lodge	23,237
Maintenance shop	5,381
Alpine	331,033
Rental shop	26,955
Toboggan chute	35,087
Tube slide	3,684
Loss on disposal of assets	3,392
Depreciation	30,679
Total operating expenses	603,301
Operating gain	6,391
Nonoperating revenue (expenses):	
Capital maintenance expenses - reserves	(49,564)
Interest expense	(783)
Total nonoperating revenue (expense)	(50,347)
Net loss before transfers	(43,956)
Transfers:	
Transfer from other funds	55,000
Total transfers	55,000
Change in net assets	11,044
Total net assets, beginning of year	529,753
Total net assets, end of year	\$ 540,797

See accompanying notes to financial statements.

TOWN OF CAMDEN, MAINE
Statement of Cash Flows - Proprietary Funds
For the year ended June 30, 2010

Business-type Activities - Enterprise Funds		Camden Snow Bowl
Cash flows from operating activities:		
Receipts from customers and users	\$	609,692
Payments to suppliers		(247,472)
Payments to employees		(342,403)
Net cash provided by (used in) operating activities		19,817
Cash flows from non-capital financing activities:		
Transfers from other funds		55,000
Net cash provided by non-capital financing activities		55,000
Cash flows from capital and related financing activities:		
Purchase of capital assets		-
Capital lease payments		(14,046)
Capital reserve revenues (expenses)		(49,564)
Net cash used in financing activities		(63,610)
Increase in cash		11,207
Cash, beginning of year		1,865
Cash, end of year	\$	13,072
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	\$	6,391
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation		30,679
Increase (decrease) in operating assets and liabilities:		
Accounts receivable		-
Accrued compensated absences		2,060
Interfund loans		(19,313)
Net cash provided by (used in) operating activities		19,817

See accompanying notes to financial statements.

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

	Agency Funds
ASSETS	
Cash	\$ 48,737
Accounts receivable	21,019
Total assets	69,756
LIABILITIES	
Interfund loans payable	18,484
Held on behalf of others	51,272
Total liabilities	\$ 69,756

See accompanying notes to financial statements.

TOWN OF CAMDEN, MAINE
Notes to Basic Financial Statements

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Camden is located in Knox County. It was organized in 1891 and operates under a Town Manager-Select Board form of government.

The accounting policies of the Town of Camden, Maine conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the more significant of such policies:

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 GAAP. The criterion used is that set forth by GASB 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. Based upon the application of these criteria, the following is a brief review of each potential component unit addressed in defining the government's reporting entity.

Included within the reporting entity:

The following entity has been included in the reporting entity. The Cemetery Association is considered to be a separate legal entity from the Town of Camden, Maine for reporting purposes. The financial activity related to this organization has been included as an Agency Fund in these basic financial statements. The following is a brief description of the entity:

Camden Cemetery Association - Administers the Town's two cemeteries. The Town maintains the Association's financial records.

Excluded from the reporting entity:

Mid Coast Solid Waste Corporation - The Town of Camden, Maine has entered into a joint venture with the Towns of Rockport, Lincolnville, and Hope to operate a four-town transfer station and recycling facility. During fiscal 1994, the form of this venture was modified and the Mid Coast Solid Waste Corporation was formed. Although the Town provides a portion of the entity's financial support, other criteria for inclusion in the Town's basic financial statements are absent.

The Corporation's joint Board of Directors selects management staff, sets user charges, establishes budgets, and controls all aspects of its operations. The interlocal agreement for this organization does not stipulate that the participants have a present or future claim to the net resources of the organization, except on dissolution; therefore, no equity interest has been reported in these basic financial statements.

Financial statements for Mid Coast Solid Waste Corporation can be obtained by contacting the Town of Camden Finance Director.

Camden Public Library - Although the Town does provide a portion of the entity's financial support, other criteria for inclusion are absent. The organization is independently operated and there is no control or oversight exercised by the Town.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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. 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 support.

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

Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and 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 for property taxes and one year for all other revenues. 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.

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.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

The Town reports the following major governmental funds:

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.

Sewer Operations accounts for the operation of a sewer system in Camden.

Charles Wood Fund was established with a gift from Charles Wood. The income is to be used by the Town to benefit the poor and needy in Camden.

The Town reports the following major proprietary fund:

Camden Snow Bowl accounts for revenues received and expenses incurred in the operation of a ski mountain and lift facility owned by the Town.

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. Fiduciary funds use the economic resources measurement focus, with the exception of Agency Funds which have no measurement focus. The Town's fiduciary funds include the following type:

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. The Town's Agency Fund accounts for funds held by the Town on behalf of the Mt. View and Oak Hill Cemetery Associations.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to the same limitation. The Town has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes and charges between the Town's sewer fund and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's proprietary funds are charges to customers for sales and services; operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

TOWN OF CAMDEN, MAINE
Notes to Financial Statements, Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Cash and Investments - Cash includes amounts in demand deposits, savings accounts and certificates of deposit. State statutes authorize the Town to invest in obligations of the U. S. Treasury, commercial paper, corporate bonds and repurchase agreements.

Investments are stated at fair value. For the purposes of the statement of cash flows, all highly liquid investments with a maturity of three months or less when purchased are considered to be cash equivalents.

Short-term Interfund Receivables/Payables - During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as interfund loans on the balance sheet.

Receivables - All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Unbilled revenues from the Sewer Fund are recognized at the end of each fiscal year on a pro rata basis. This amount is based on billings during the months following the close of the fiscal year.

Capital Assets - Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type 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 \$7,500 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market 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 of business-type activities, if material to the basic financial statements is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the primary government is depreciated using the straight-line method over the assets' estimated useful lives ranging from 3 to 60 years.

Vacation and Sick Leave - Under terms of personnel policies and union contracts, vacation and sick leave are granted in varying amounts according to length of service and is accrued ratably over the year. Regular part-time employees receive vacation and sick leave on a pro-rated basis. Accumulated vacation time has been recorded in the Statement of Net Assets for the governmental activities and in the Proprietary Funds for the business-type activities. Accrued sick time is recorded in the Statement of Net Assets (Statement 1) and for the portion attributable to the enterprise fund which is recorded as a current liability on Statement 7.

Long-term Obligations - In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type 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 charged and amortized over the term of the related debt.

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. Designated fund balances represent tentative plans for future use of financial resources.

TOWN OF CAMDEN, MAINE
Notes to Financial Statements, Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Interfund Transactions - Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly chargeable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

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.

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.

STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Budgets are adopted for the General Fund only and are adopted on a basis consistent with generally accepted accounting principles (GAAP). The level of control (level at which expenditures may not exceed budget) is the warrant article level. Generally, all unexpended budgetary accounts lapse at the close of the fiscal year except some on-going projects which may be designated for subsequent year expenditure and some non-lapsing accounts which are carried forward to the next fiscal year.

The budgeted financial statements represented in this report reflect the final budget authorization, including all amendments.

B. Revised Budget

The revised budget presented for the General Fund in the Statement of Revenues, Expenditures, and Changes in Fund Balance--Budget and Actual (Statement 6), includes various adjustments as follows:

	<u>Revenues</u>	<u>Expenditures</u>	<u>Other financing sources (uses)</u>
2010 budget as originally adopted	\$ 16,414,542	(16,515,142)	100,600
Designated carryforward balances	-	(366,211)	366,211
Totals	\$ 16,414,542	(16,881,353)	466,811

C. Excess of Expenditures Over Appropriations

For the year ended June 30, 2010, the budget for the MCSWC appropriation was inadvertently left out of the tax calculation resulting in an excess of expenditures over appropriations of \$256,292.

TOWN OF CAMDEN, MAINE
Notes to Financial Statements, Continued

CASH AND INVESTMENTS

A. Deposits

Custodial Credit Risk-Town 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 does not have a deposit policy for custodial credit risk. As of June 30, 2010, the Town reported deposits of \$305,556 with a bank balance of \$353,894. Of the Town's bank balances of \$353,894, none was exposed to custodial credit risk. The entire bank balance of \$353,894 was covered by the F.D.I.C. or by additional insurance purchased on behalf of the Town by the respective banking institutions.

Deposits have been reported as follows:

Reported in governmental funds	\$ 243,747
Reported in business-type activities	13,072
Reported in fiduciary funds	48,737
Total deposits	\$ 305,556

B. Investments

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

	Fair <u>value</u>	Less than <u>1 year</u>	1-5 years	More than <u>5 years</u>
Corporate bonds and notes	\$ 589,889	153,163	436,727	-
Government bonds and notes	102,486	-	102,486	-
Equities/stock	1,274,718	-	-	-
Mutual funds (1)	266,138	-	-	-
Repurchase agreements	2,590,914	-	-	-
Total investments	\$ 4,824,145	153,163	539,213	-

(1) Mutual funds are not considered securities and are except from credit risk disclosure noted above.

Investments have been reported as follows:

Reported in Governmental Funds	\$ 4,824,145
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Interest Rate Risk: It is the Town's policy that maximum bond maturities in any one year will be 20% of total bonds at market value.

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's policy is to maintain a balanced portfolio of stocks and bonds with 50% stocks and 50% bonds but with 20 percentage points variance permissible in either direction. Bond investments are to be restricted to issues A or better by the major credit rating services and be diversified by the type of issuer and by maturity. Bond maturities will be limited to within 15 years. It is also the Town's policy that stock investments will be in leading companies with revenues of at least \$500 million, consistent and above average profit growth and superior financial strength. The Town's investments in corporate bonds were rated by Standard & Poor's as follows:

TOWN OF CAMDEN, MAINE
Notes to Financial Statements, Continued

CASH AND INVESTMENTS, CONTINUED

Caterpillar Financial Services	A
AVON Products, Inc.	A-
John Deere Capital Corp	A
Hewlett Packard	A
JP Morgan Chase	A+

Concentration of credit risk: It is the Town's policy that individual stocks are limited to 5% of total stocks at cost and 10% at market. Industry exposure is limited to 10% at cost and 20% at market. Up to 10% of total stocks may be invested in broadly diversified stock mutual funds. Individual bonds which are not backed by the full faith and credit of the U.S. government will be limited to 5% of total bonds at market value. Maximum exposure to a single industry will be 25%.

Custodial Credit Risk-Town's investments: For investments, custodial credit risk 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 the possession of an outside party. Of the Town's \$2,590,914 investment in repurchase agreements, 100% was subject to custodial credit risk because it was collateralized by underlying securities held by the related bank, which were not in the Town's name.

PROPERTY TAX

Property taxes for the current period were committed on September 1, 2009, on the assessed value listed as of April 1, 2009, for all real and personal property located in the Town. Payment of taxes was due in equal installments on November 2, 2009 and May 2, 2010. Interest at the rate of 9% per annum was charged on any amounts remaining unpaid after this date. Assessed values are periodically established by the Assessor's agent at 100% of assumed market value. The last revaluation was completed for the list of April 1, 2007. The 2009 assessed value of \$1,099,962,681 (including Homestead valuation) was 100% of the estimated market value and 86.5% of the 2010 state valuation of \$1,271,100,000.

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 \$136,222 for the period 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 tax liens and associated costs remain unpaid.

Property taxes levied during the year ended were recorded as receivables at the time the levy was made. The receivables collected during the year ended 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.

TOWN OF CAMDEN, MAINE
Notes to Financial Statements, Continued

PROPERTY TAX, CONTINUED

The following summarizes the periods ended June 30, 2010 and 2009 levies:

	<u>2010</u>	<u>2009</u>
Assessed value	\$ 1,099,962,681	1,092,490,770
Tax rate (per \$1,000)	13.21	13.14
Commitment (includes Homestead)	14,530,507	14,355,329
Supplemental taxes assessed	33,017	164
	14,563,524	14,355,493
Less:		
Collections and abatements	13,804,595	13,779,036
Receivable at June 30	\$ 758,929	576,457
Collection rate	94.78%	95.98%

CAPITAL ASSETS

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

	Balance June 30, <u>2009</u>	<u>Increases</u>	<u>Decreases</u>	Balance June 30, <u>2010</u>
Governmental activities:				
Capital assets, not being depreciated:				
Construction in progress	\$ -	165,520	-	165,520
Land	1,251,439	24,945	-	1,276,384
Total capital assets, not being depreciated	1,251,439	190,465	-	1,441,904
Capital assets, being depreciated:				
Land improvements	1,159,552	60,580	-	1,220,132
Buildings and building improvements	7,700,340	-	-	7,700,340
Machinery and equipment	1,043,417	41,696	-	1,085,113
Furniture and office equipment	56,000	-	-	56,000
Vehicles	2,289,809	96,703	35,535	2,350,977
Infrastructure	2,725,722	100,000	-	2,825,722
Total capital assets being depreciated	14,974,840	298,979	35,535	15,238,284
Less accumulated depreciation for:				
Land improvements	196,565	40,147	-	236,712
Buildings and building improvements	2,433,772	164,720	-	2,598,492
Machinery and equipment	912,036	33,843	-	945,879
Furniture and office equipment	51,443	480	-	51,923
Vehicles	1,696,147	131,681	35,535	1,792,293
Infrastructure	709,160	86,272	-	795,432
Total accumulated depreciation	5,999,123	457,143	35,535	6,420,731
Total capital assets being depreciated, net	8,975,717	(158,164)	-	8,817,553
Governmental activities capital assets, net	\$ 10,227,156	32,301	-	10,259,457

TOWN OF CAMDEN, MAINE
Notes to Financial Statements, Continued

CAPITAL ASSETS, CONTINUED

	Balance June 30, <u>2009</u>	<u>Increases</u>	<u>Decreases</u>	Balance June 30, <u>2010</u>
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 160,000	-	-	160,000
Total capital assets, not being depreciated	160,000	-	-	160,000
Capital assets, being depreciated:				
Buildings and building improvements	172,000	-	-	172,000
Machinery and equipment	738,834	-	65,500	673,334
Vehicles	94,601	-	-	94,601
Total capital assets being depreciated	1,005,435	-	65,500	939,935
Less accumulated depreciation for:				
Buildings and building improvements	94,883	2,850	-	97,733
Machinery and equipment	536,778	21,278	62,108	495,948
Vehicles	45,815	6,551	-	52,366
Total accumulated depreciation	677,476	30,679	62,108	646,047
Total capital assets being depreciated, net	327,959	(30,679)	3,392	293,888
<u>Business-type activities capital assets, net</u>	<u>\$ 487,959</u>	<u>(30,679)</u>	<u>3,392</u>	<u>453,888</u>

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

Governmental activities:	
General government	\$ 125,453
Public safety	96,063
Highways, streets and bridges	115,860
Leisure services	3,002
Sewer operations	116,765

Total depreciation expense – governmental activities **\$ 457,143**

Business-type activities:	
Snow Bowl	30,679

Total depreciation expense – governmental and business activities **\$ 30,679**

INTERFUND LOAN BALANCES

Individual interfund loan receivable and payable balances at the year ended June 30, 2010, were as follows:

	<u>Interfund receivables</u>	<u>Interfund payables</u>
General Fund	\$ -	1,081,426
Sewer Operations Fund	223,801	-
Charles Wood Fund	15,000	-

TOWN OF CAMDEN, MAINE
Notes to Financial Statements, Continued

INTERFUND LOAN BALANCES, CONTINUED

Nonmajor special revenue funds:		
Grant funds	\$ 5,639	-
Restricted funds	-	34,695
Reserve funds	807,621	-
Seabright fund	-	16,426
<u>Total nonmajor special revenue funds</u>	<u>813,260</u>	<u>52,081</u>
Nonmajor permanent funds:		
Nellie Knowlton Fund	509	-
Shadie Niles Trust	-	141
Olive Coates Trust	2,261	-
<u>Total nonmajor permanent funds</u>	<u>2,770</u>	<u>141</u>
Proprietary funds:		
Camden Snow Bowl	96,341	-
Agency funds:		
Cemetery	-	18,484
<u>Total interfund loan receivables and payables</u>	<u>\$ 1,151,172</u>	<u>1,151,172</u>

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.

INTERFUND TRANSFERS

Individual fund transfers for the year ended June 30, 2010 were as follows:

	Transfers <u>in</u>	Transfers <u>out</u>
<u>General Fund</u>	<u>\$ -</u>	<u>69,400</u>
Nonmajor special revenue funds:		
Reserve funds	14,400	-
<u>Total nonmajor special revenue funds</u>	<u>14,400</u>	<u>-</u>
Proprietary funds:		
Camden Snow Bowl	55,000	-
<u>Total proprietary funds</u>	<u>55,000</u>	<u>-</u>
<u>Totals</u>	<u>\$ 69,400</u>	<u>69,400</u>

These transfers were budgeted transfers to fund certain activities.

TOWN OF CAMDEN, MAINE
Notes to Financial Statements, Continued

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>
Governmental activities:					
General obligation bonds	\$ 2,851,330	-	247,569	2,603,761	244,782
Capital leases	235,751	53,663	80,856	208,558	80,365
Compensated absences (1)	299,838	5,949	-	305,787	-
Governmental activity long-term liabilities	\$ 3,386,919	59,612	328,425	3,118,106	325,147
Business-type activities:					
Capital leases	\$ 16,655	-	16,655	-	-
Compensated absences (1)	20,444	2,061	-	22,505	-
Business-type activity long-term liabilities	\$ 37,099	2,061	16,655	22,505	-

(1) Compensated absences are shown as long-term since the amount due within one year cannot be reasonably estimated.

LONG-TERM DEBT

Bonds and Notes Payable

Bonds and notes payable and capital leases at June 30, 2010, are comprised of the following:

	<u>Amount issued</u>	<u>Date of issue</u>	<u>Date of maturity</u>	<u>Interest rate</u>	<u>Balance</u>
Governmental activities:					
Bonds and notes payable:					
General obligation	\$ 304,000	2002	2011	5.02%	25,250
Public safety building	999,200	2003	2034	varies	699,440
Library bond	350,000	2003	2018	varies	210,002
Sewer bond	566,000	2003	2013	varies	230,789
Tannery loan	836,000	2006	2025	3.79%	716,444
Wastewater loan	885,000	2007	2022	1.33%	721,746
Total bonds and notes payable					2,603,761
Capital leases:					
Highway truck	100,000	11/15/2006	11/15/2010	3.80%	21,005
GMC truck	86,815	6/15/2009	6/15/2013	4.10%	52,033
Street sweeper	125,000	8/15/2006	8/15/2015	5.37%	78,454
Dump truck	75,000	2/15/2008	2/15/2011	4.00%	19,103
Chevy Fire Truck	53,663	10/23/2009	10/23/2012	3.86%	37,963
Total capital leases					208,558
Total governmental activities					\$2,812,319

TOWN OF CAMDEN, MAINE
Notes to Financial Statements, Continued

LONG-TERM DEBT, CONTINUED

All governmental activities long-term debt service requirements are paid by the General Fund. Business-type debt is paid by the proprietary enterprise fund.

Assets capitalized under capital leases are \$440,478 for the governmental activities.

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

Governmental Activities

	<u>Bonds and Notes</u>			<u>Capital Leases</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 244,782	81,763	326,545	80,365	9,689	90,054
2012	221,948	75,644	297,592	42,024	6,045	48,069
2013	224,367	72,907	297,274	43,870	4,200	48,070
2014	226,996	63,043	290,039	13,369	2,271	15,640
2015	170,862	58,082	228,944	14,087	1,554	15,641
2016-2020	866,341	211,011	1,077,352	14,843	797	15,640
2021-2025	589,911	71,628	661,539	-	-	-
2026-2030	58,554	2,249	60,803	-	-	-
Totals	\$ 2,603,761	636,327	3,240,088	208,558	24,556	233,114

STATUTORY DEBT LIMIT

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.

Overlapping Debt

The Town's proportionate share of debt of all local government units which provide services within the Town's boundaries, and which must be borne by properties in the Town is summarized as follows:

<u>Units</u>	<u>Net debt outstanding June 30, 2010</u>	<u>Percentage applicable to the Town</u>	<u>Town's proportionate share of debt</u>
Five Town CSD	\$ 11,561,419	43.51%	5,030,373
School Administrative District No. 28	16,758,983	52.97%	8,877,233
Mid Coast Solid Waste Corporation	395,595	43.75%	173,073

The Town's proportionate share of the County and District debt is paid through annual assessments by the respective units.

TOWN OF CAMDEN, MAINE
Notes to Financial Statements, Continued

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 public entity risk pools, or is effectively self-insured. Currently, the Town participates in several public entity and self insured risk pools sponsored by the Maine Municipal Association (MMA).

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.

DESIGNATED FUND BALANCE

At June 30, 2010 and 2009 fund balances were designated to future periods as follows:

	<u>2010</u>	<u>2009</u>
General Fund:		
Administration	\$ 9,338	14,972
Legal	2,000	10,047
Engineering	1,750	-
Planning and development	713	15,920
Information Technology	10,000	-
Insurance	2,500	-
Opera House/Town offices	7,000	8,177
Opera House auditorium	484	2,769
Police department	8,275	15,476
Fire department	14,699	32,164
Highways, streets and bridges	55,930	91,066
Recreation	-	7,809
Parks	-	2,988
Cemeteries	1,582	4,482
Dams	-	3,933
Capital improvements:		
Town clock repairs	-	3,000
Tannery demolition	1,984	3,528
MDOT Route 1	-	86,548
Mechanic Street engineer	-	614
Megunticook Lake boat ramp	1,054	28,000
RMRA redevelopment	-	2,538
Contingency	57,084	32,180
Total General Fund designated fund balance	\$ 174,393	366,211

Sewer Operations Fund:		
Administration	2,500	-
Capital improvements	4,000	-
Total Sewer Operations Fund designated fund balance	\$ 6,500	-

TOWN OF CAMDEN, MAINE
Notes to Financial Statements, Continued

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM (Maine PERS)

Maine PERS - Consolidated Plan

Description of the Plan - The Town contributes to the Maine Public Employees Retirement System Consolidated Plan, a cost sharing multiple-employer retirement system established by the Maine State legislature. 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 6.5% of their annual covered salary and the Town is required to contribute an actuarially determined rate. The current rate is 2.8% of annual covered payroll. The contribution rates of plan members and the Town are established and may be amended by the Maine State legislature. The Town's contributions to the Maine Public Employees Retirement System Consolidated Plan for the year ended June 30, 2010, 2009 and 2008 were \$57,183, \$55,149 and \$53,138, respectively.

457 RETIREMENT PLAN

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457, through the International City Management Association (ICMA). The plan, available to all Town employees, permits them 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 automatically placed in trust for the exclusive benefit of participants and their beneficiaries by ICMA. 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.

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 activities</u>	<u>Business-type activities</u>
Capital assets	\$ 16,680,188	1,099,935
Accumulated depreciation	(6,420,731)	(646,047)
Bonds payable	(2,603,761)	-
Capital leases	(208,558)	-
Total invested in capital assets, net of related debt	\$ 7,447,138	453,888

TOWN OF CAMDEN, MAINE
Notes to Financial Statements, Continued

RESTATEMENT OF NET ASSETS

Net assets in the governmental activities as well as the General Fund and RMRA Redevelopment Restricted Fund have been restated as of July 1, 2009 as a result of a transfer to the RMRA Redevelopment Fund from the General Fund. Net assets and fund balance as of July 1, 2009 have been restated as follows:

	General Fund	RMRA Redevelopment Fund
Net assets/fund balance as previously reported	\$ 2,248,340	(15,000)
Restatement – transfer to RMRA Fund (restricted)	(2,538)	2,538
<u>Net assets/fund balance, as restated</u>	<u>\$ 2,245,802</u>	<u>(12,462)</u>



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. The fund pays general operating expenditures, fixed charges, and capital improvement costs which are not paid through other funds.



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

	2010	2009
ASSETS		
Cash and cash equivalents	\$ 14,818	1,180
Investments	2,591,004	3,142,254
Receivables:		
Taxes receivable - current year	758,929	576,457
Taxes receivable - prior year	-	10,788
Tax liens - prior years	137,557	93,478
Tax acquired property	16,191	16,191
Accounts receivable (net of allowance for bad debts of \$2,676 for both 2010 and 2009)	44,912	43,175
Total assets	\$ 3,563,411	3,883,523
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable and payroll withholdings	78,418	112,857
Interfund loans payable	1,081,426	1,203,499
Deferred tax revenue	369,000	310,000
Other deferred revenue	8,827	8,827
Total liabilities	1,537,671	1,635,183
Fund balance:		
Unreserved:		
Designated	174,393	366,211
Undesignated	1,851,347	1,882,129
Total fund balance	2,025,740	2,248,340
Total liabilities and fund balance	\$ 3,563,411	3,883,523

TOWN OF CAMDEN, MAINE
General Fund
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual, Continued

	2009 Carryforward balance	2010		Variance positive (negative)	
		Original budget	Total available		Actual
Expenditures:					
Current:					
General government:					
Administration, finance, codes and assessing	\$ 14,972	803,120	818,092	793,337	24,755
Professional services	10,047	56,700	66,747	30,995	35,752
Planning and development	15,920	25,600	41,520	38,177	3,343
Information technology	-	65,700	65,700	51,365	14,335
Insurance	-	152,700	152,700	147,022	5,678
Opera House/Town offices	8,177	80,850	89,027	70,045	18,982
Opera House/auditorium	2,769	154,000	156,769	161,267	(4,498)
Total general government	51,885	1,338,670	1,390,555	1,292,208	98,347
Public safety:					
Police department	15,476	912,060	927,536	897,669	29,867
County dispatch	-	103,840	103,840	103,840	-
Fire department	30,346	324,605	354,951	309,146	45,805
Public safety building	1,818	53,000	54,818	47,296	7,522
Hydrant rental	-	178,000	178,000	179,732	(1,732)
Street lights	-	62,000	62,000	57,712	4,288
Total public safety	47,640	1,633,505	1,681,145	1,595,395	85,750
Highways, streets and bridges:					
Public works	8,400	793,000	801,400	779,725	21,675
Street and sidewalks	82,666	293,000	375,666	311,926	63,740
Parking	-	2,800	2,800	4,064	(1,264)
Tree program	-	3,960	3,960	4,180	(220)
Total highways, streets and bridges	91,066	1,092,760	1,183,826	1,099,895	83,931

TOWN OF CAMDEN, MAINE
General Fund
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual, Continued

	2009 Carryforward balance	2010		Actual	Variance positive (negative)
		Original budget	Total available		
Expenditures, continued					
Current, continued:					
Health and welfare:					
General assistance	\$ -	-	-	-	-
Provider agencies	-	20,053	20,053	20,053	-
Total health and welfare	-	20,053	20,053	20,053	-
Leisure services:					
Community services	-	15,389	15,389	15,389	-
Camden Public Library	-	340,000	340,000	340,000	-
Harbor and landing	-	137,335	137,335	132,645	4,690
Recreation	7,809	121,387	129,196	122,883	6,313
Parks	2,988	178,700	181,688	177,993	3,695
Snow Bowl Match/Capital	-	20,000	20,000	20,000	-
Dams	-	16,200	16,200	16,519	(319)
Harbor Park	3,933	6,910	10,843	8,092	2,751
Total leisure services	14,730	835,921	850,651	833,521	17,130
Cemeteries:					
Cemetery association	-	21,000	21,000	21,000	-
Cemetery maintenance	4,482	50,069	54,551	53,179	1,372
Total cemeteries	4,482	71,069	75,551	74,179	1,372
Debt service:					
Principal	-	422,049	422,049	328,316	93,733
Interest	-	101,307	101,307	100,380	927
Total debt service	-	523,356	523,356	428,696	94,660
Contingency	32,180	50,000	82,180	25,096	57,084
Unclassified:					
MCSWC assessment	-	-	-	256,292	(256,292)
Educations - MSAD #28	-	5,845,625	5,845,625	5,845,625	-
Education - Five Town CSD	-	3,701,748	3,701,748	3,701,748	-
County tax	-	1,110,013	1,110,013	1,110,012	1
Overlay/abatements	-	136,222	136,222	42,645	93,577
Total unclassified	-	10,793,608	10,793,608	10,956,322	(162,714)

TOWN OF CAMDEN, MAINE
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - General Fund, Continued

	2009 Carryforward balance	2010		Actual	Variance positive (negative)
		Original budget	Total available		
Expenditures, continued:					
Capital improvements and reserves:					
Capital improvements:					
Town clock repairs	\$ 3,000	-	3,000	3,000	-
Tannery demolition	3,528	-	3,528	1,545	1,983
MDOT Route 1	86,548	-	86,548	83,126	3,422
Public Works equipment	-	56,200	56,200	49,166	7,034
Mechanic Street	614	-	614	-	614
Jacobs/Willow Street	-	100,000	100,000	100,000	-
Megunticook Lake boat ramp	28,000	-	28,000	26,946	1,054
RMRA redevelopment	2,538	-	2,538	-	2,538
Total capital improvements and reserves	124,228	156,200	280,428	263,783	16,645
Total expenditures	366,211	16,515,142	16,881,353	16,589,148	292,205
Excess (deficiency) of revenues over (under) expenditures	(366,211)	(100,600)	(466,811)	(170,662)	296,149

TOWN OF CAMDEN, MAINE
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - General Fund, Continued

	2009 Carryforward balance	2010		Actual	Variance positive (negative)
		Original budget	Total available		
Other financing sources (uses):	\$				
Transfers out:					
Snow Bowl	-	(35,000)	(35,000)	(35,000)	-
Economic development	-	(14,400)	(14,400)	(14,400)	-
Utilization of prior year surplus	-	150,000	150,000	150,000	-
Utilization of carryforward balances	366,211	-	366,211	-	(366,211)
Total other financing sources (uses)	366,211	100,600	466,811	100,600	(366,211)
Net change in fund balances, budgetary basis	-	-	-	(70,062)	(70,062)
Reconciliation to GAAP:					
Utilization of fund balance				(150,000)	
Net change in fund balances, GAAP basis				(220,062)	
Fund balance, beginning of year, as restated				2,245,802	
Fund balance, end of year	\$			2,025,740	



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

	Special Revenue Funds	Permanent Funds	Total Other Governmental Funds
ASSETS			
Cash and cash equivalents	\$ -	152,621	152,621
Investments	-	1,076,494	1,076,494
Accounts receivable	2,275	-	2,275
Interfund loans receivable	813,260	2,770	816,030
Total assets	\$ 815,535	1,231,885	2,047,420
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	47	23,909	23,956
Interfund loans payable	51,121	141	51,262
Total liabilities	51,168	24,050	75,218
Fund balances:			
Reserved for:			
Nonexpendable trust principal	-	1,052,583	1,052,583
Unreserved, undesignated	764,367	155,252	919,619
Total fund balance	764,367	1,207,835	1,972,202
Total liabilities and fund balances	\$ 815,535	1,231,885	2,047,420

TOWN OF CAMDEN, 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	Permanent Funds	Total Other Governmental Funds
Revenues:			
Contributions	\$ -	75,143	75,143
Realized and unrealized gains (losses)	-	64,142	64,142
Intergovernmental	25,655	-	25,655
Other	408,200	-	408,200
Investment income	-	26,104	26,104
Total revenues	433,855	165,389	599,244
Expenditures:			
Current:			
General government	68,115	-	68,115
Public Safety	11,799	-	11,799
Leisure services	23,593	-	23,593
Charitable aid	-	71,383	71,383
Cemetery care	-	21,019	21,019
Other	431,214	2,385	433,599
Total expenditures	534,721	94,787	629,508
Excess (deficiency) of revenues over (under) expenditures	(100,866)	70,602	(30,264)
Other financing sources:			
Transfer from other funds	14,400	-	14,400
Total other financing sources	14,400	-	14,400
Net change in fund balances	(86,466)	70,602	(15,864)
Fund balances, beginning of year, as restated	850,833	1,137,233	1,988,066
Fund balances, end of year	\$ 764,367	1,207,835	1,972,202

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are established to account for resources obtained and expended for specified purposes that are restricted by law or administrative action.

Special Revenue Funds have been established for the following purposes:

Grant Funds - To account for various grants received by the Town.

Restricted Funds - To account for various donations and other funds received by the Town that are restricted to specific purposes.

Reserve Funds -To account for various capital reserves.

Seabright Fund - To account for activity related to the Seabright Dam.



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

	Grant Funds	Restricted Funds	Reserve Funds	Seabright Fund	Totals
ASSETS					
Cash and cash equivalents	\$ -	-	-	-	-
Accounts receivable	-	2,275	-	-	2,275
Interfund loans receivable	5,639	-	807,621	-	813,260
Total assets	\$ 5,639	2,275	807,621	-	815,535
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	-	-	47	-	47
Interfund loans payable	-	34,695	-	16,426	51,121
Total liabilities	-	34,695	47	16,426	51,168
Fund balances:					
Undesignated	5,639	(32,420)	807,574	(16,426)	764,367
Total fund balances (deficit)	5,639	(32,420)	807,574	(16,426)	764,367
Total liabilities and fund balances	\$ 5,639	2,275	807,621	-	815,535

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

	Grant Funds	Restricted Funds	Reserve Funds	Seabright Fund	Totals
Revenues:					
Intergovernmental	\$ 25,655	-	-	-	25,655
Other	-	339,804	68,023	373	408,200
Investment income	-	-	-	-	-
Total revenues	25,655	339,804	68,023	373	433,855
Expenditures:					
Current:					
General government	-	-	68,115	-	68,115
Public Safety	-	-	11,799	-	11,799
Leisure services	-	-	23,593	-	23,593
Other	30,297	386,757	-	14,160	431,214
Total expenditures	30,297	386,757	103,507	14,160	534,721
Excess (deficiency) of revenues over (under) expenditures	(4,642)	(46,953)	(35,484)	(13,787)	(100,866)
Other financing sources (uses):					
Transfer from (to) other funds	-	-	14,400	-	14,400
Total other financing sources (uses)	-	-	14,400	-	14,400
Net change in fund balances	(4,642)	(46,953)	(21,084)	(13,787)	(86,466)
Fund balances (deficit), beginning of year	10,281	14,533	828,658	(2,639)	850,833
Fund balances (deficit), end of year	\$ 5,639	(32,420)	807,574	(16,426)	764,367

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

	Fund balances				Transfers	Program expenditures	Fund balances
	(deficit)	Program revenues					(deficit)
	beginning	Fed/State	Interest	Other		end	
	of year					of year	
Grant Funds:							
Bulletproof Vest Grant	\$ -	1,950	-	-	-	1,950	-
2009 Speed Enforcement Grant	524	1,526	-	-	-	2,050	-
Fire Safety Enhancement Program	-	465	-	-	-	465	-
Bulletproof Vest Mobile Data	-	3,703	-	-	-	3,703	-
FM Global Fire Prevention	-	760	-	-	-	760	-
Cold Water Rescue Training Grant	-	800	-	-	-	800	-
2009 HV Impaired Driving Enforcement	545	2,541	-	-	-	3,086	-
2009 HV Belt Enforcement	-	1,864	-	-	-	1,864	-
FEMA (Ice Storm 2009)	-	10,511	-	-	-	10,511	-
Wellness Grant	929	1,535	-	-	-	1,771	693
CAFG Grant	233	-	-	-	-	-	233
Shore and Harbor Grant	6,110	-	-	-	-	3,337	2,773
Homeland Security Grant	1,940	-	-	-	-	-	1,940
Total grant funds	10,281	25,655	-	-	-	30,297	5,639
Restricted Funds:							
Opera House capital campaign	23,317	-	-	380	-	-	23,697
Garden Club	-	-	-	1,195	-	1,180	15
Cawley Foundation	19,166	-	-	328	-	16,025	3,469
Skate Park donations	872	-	-	14	-	-	886
Tamarack Trail Subdivision	2,042	-	-	33	-	-	2,075
Opera House productions	22,175	-	-	2,082	-	2,831	21,426
Mountain Arrow Village Green	10,619	-	-	-	-	10,619	-
RMRA Redevelopment	(12,462)	-	-	130,905	-	165,520	(47,077)
Town clock repairs	1,925	-	-	-	-	1,925	-
Pirates	-	-	-	876	-	876	-
Celtic Crossroads	-	-	-	12,914	-	12,914	-
Flatlanders	-	-	-	4,108	-	4,108	-
Global Cinema Visions	-	-	-	1,800	-	1,800	-
Audiobody	-	-	-	2,225	-	2,225	-
Junie B. Jones	-	-	-	3,626	-	3,626	-
Lisa See	-	-	-	808	-	808	-
Stormy Weather	-	-	-	2,564	-	2,564	-
Shade Tree	-	-	-	1,190	-	1,180	10
Assistance (Heating & Utility)	25	-	-	2,226	-	6,227	(3,976)
DARE	3,705	-	-	61	-	-	3,766
Harbor benches	3,308	-	-	644	-	-	3,952
Employee benefits	(5,352)	-	-	-	-	603	(5,955)
Oak Hill Cemetery garden	3,035	-	-	10,386	-	8,197	5,224
Parks Memorial projects	419	-	-	7	-	-	426
Honor roll (Village Green)	4,447	-	-	73	-	493	4,027
Fire safety education	1,728	-	-	422	-	31	2,119
Police career development	961	-	-	14	-	-	975
Gasoline	(67,751)	-	-	147,718	-	130,959	(50,992)
Prebuy oil #2	(3,590)	-	-	-	-	-	(3,590)
MCSWC trash bags	(34)	-	-	3,639	-	3,780	(175)
MCSWC contract bookkeeping	5,377	-	-	9,100	-	7,800	6,677
MCSWC sticker sales	601	-	-	466	-	466	601
Total restricted funds	14,533	-	-	339,804	-	386,757	(32,420)
Total	\$ 24,814	25,655	-	339,804	-	417,054	(26,781)

TOWN OF CAMDEN, MAINE
Reserve Funds
Schedule of Changes in Fund Balances
For the year ended June 30, 2010

	Fund balances (deficit) beginning of year	Revenues Other miscellaneous	Expenditures	Transfers in	Fund balances end of year
Reserve Funds:					
General Government:					
Accrued benefits	\$ 66,872	-	2,510	-	64,362
Opera House maintenance	109,207	6	32,419	-	76,794
Economic development	12,000	-	29,591	14,400	(3,191)
Conservation	2,396	-	-	-	2,396
Computer/IT	18,413	-	3,595	-	14,818
Public Safety:					
Police equipment	2,622	-	-	-	2,622
Fire equipment	94,703	2,400	11,799	-	85,304
Highways, Street and Bridges:					
Storm sewer reserve	20,813	-	-	-	20,813
Parking reserve	46,477	3,400	-	-	49,877
Winter maintenance reserve	57,889	33,030	-	-	90,919
Fuel Depot maintenance reserve	2,204	729	-	-	2,933
Washington Street sidewalks	32,528	-	-	-	32,528
Public Works equipment	1,019	-	-	-	1,019
Leisure Services:					
Parks equipment	29,506	22,297	6,018	-	45,785
Tennis court	24,777	-	-	-	24,777
Harbor dredging	68,277	-	-	-	68,277
Camden Dam	69,482	5,251	-	-	74,733
Harbor bench maintenance	7,541	910	523	-	7,928
Harbor projects	114,957	-	16,659	-	98,298
Camden/Lincolnville Dam	38,960	-	-	-	38,960
Parks Memorial projects	1,375	-	-	-	1,375
Curtis Island Lighthouse	6,640	-	393	-	6,247
Totals	\$ 828,658	68,023	103,507	14,400	807,574

TOWN OF CAMDEN, MAINE
Sewer Operations Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the year ended June 30, 2010
(with comparative actual totals for the year ended June 30, 2009)

	2010		Variance positive (negative)	2009
	Budget	Actual		
Revenues and other sources:				
Sewer billings	\$ 766,079	726,091	(39,988)	721,440
Other	-	60	60	75
Total revenues	766,079	726,151	(39,928)	721,515
Expenditures:				
Administration:				
Salaries	218,172	217,125	1,047	207,342
Taxes and benefits	84,407	87,119	(2,712)	82,069
Professional fees	4,650	1,996	2,654	1,900
GIS updates	5,000	1,016	3,984	13,888
Billing service	27,800	25,741	2,059	26,669
Insurance	20,750	15,660	5,090	16,974
Uniforms	1,250	1,250	-	1,250
Gasoline, diesel and oil	5,000	4,138	862	3,303
Communications	2,700	1,499	1,201	1,978
Repairs and maintenance - vehicles	4,000	3,980	20	4,328
Supplies and other	4,500	3,087	1,413	5,015
Total administration	378,229	362,611	15,618	364,716
Operating and maintenance:				
Utilities	124,950	114,713	10,237	122,923
Sludge disposal	80,000	82,651	(2,651)	83,003
Chemicals	15,000	14,941	59	13,509
Repairs and maintenance - sewer lines	20,000	10,316	9,684	10,009
Repairs and maintenance - plant	40,000	37,858	2,142	43,946
Repairs and maintenance - pump station	6,000	2,534	3,466	2,499
Mowing	5,000	5,000	-	5,000
Laboratory services	2,500	5,226	(2,726)	1,247
Security services	1,900	1,870	30	1,836
Total operating and maintenance	295,350	275,109	20,241	283,972
Capital reserve transfers	40,000	40,000	-	60,000
Capital improvements	52,500	115,474	(62,974)	61,744
Total expenditures	766,079	793,194	(27,115)	770,432
Net change in fund balance - operations	-	(67,043)	(67,043)	(48,917)
Activity in reserve funds/other sources:				
Treatment Plant upgrade	-	-	-	(22,728)
Transfer in from operating budget - reserves	-	40,000	(40,000)	60,000
Reserve expenditures/revenues	-	(23,749)	23,749	(8,441)
Net reserve activity	-	16,251	(16,251)	28,831
Net change in fund balance	-	(50,792)	(50,792)	(20,086)
Fund balance, beginning of year		490,782		510,868
Fund balance, end of year	\$	439,990		490,782

TOWN OF CAMDEN, MAINE
Wastewater Capital Reserve Funds
Schedule of Changes in Fund Balances
For the year ended June 30, 2010

	Fund balances beginning of year	Revenues Other miscellaneous	Expenditures	Transfers in (out)	Fund balances end of year
Capital Reserve Funds:					
Accrued benefits	24,784	-	-	-	24,784
Equipment	150,194	-	23,748	-	126,446
Inflow and infiltration	123,220	-	-	10,000	133,220
Intown sewer	62,176	-	-	10,000	72,176
Pump stations	21,310	-	-	20,000	41,310
Totals	\$ 381,684	-	23,748	40,000	397,936

NONMAJOR GOVERNMENTAL FUNDS

PERMANENT FUNDS

Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

Camden Snow Bowl - Established to account for a \$5,000 gift. The gift is to be invested by the Town and the income is to be used by the Camden Snow Bowl to fund operations.

Nellie A. Knowlton Fund - Nellie A. Knowlton donated \$1,000 through a provision in her will. The income is to be used under the direction of the Town to supply milk to babies and aged persons as needed.

Mountain View Cemetery Fund - Established to account for funds left in trust to the Town of Camden, Maine for the maintenance of Mountain View Cemetery. It is also funded by the sale of cemetery lots. The revenue from these sales is split (80% - 20%) between this trust fund and the Camden Cemetery Association.

Oak Hill Cemetery Fund - Established to account for funds left in trust to the Town of Camden, Maine for the maintenance and operation of the Oak Hill Cemetery. It is also funded by the sale of cemetery lots. The revenues from these sales are split (80% - 20%) between this trust fund and the Camden Cemetery Association.

Camden Public Library Fund - Established to account for a \$5,000 gift. The gift is to be invested by the Town with the income to benefit the Camden Public Library.

Atlantic Engine Company No. 2 Relief Fund - Established to account for a \$5,000 gift. The gift is to be invested by the Town with the income to benefit the Camden Firemen's Association.

Village Green Fund - Established to account for the funds left to the Town. Income is transferred to General Fund for Village Green maintenance.

Irene F. Laite Memorial Trust - Established to account for an \$89,560 gift solely for the benefit of the Oak Hill Cemetery Memorial Garden Maintenance Fund. Funds are to be invested and income added to principal balance until 2010. Thereafter the income derived from the investment of principal assets of the Trust may be expended for maintenance of the memorial Garden as specified in the Trust.

Olive A. Coates Trust - Established to account for funds received from the Olive A. Cotes Charitable Trust. The Trust will make annual distributions to the Town to be used for the welfare and benefit of senior citizens, for aiding the poor and needy, and for the health care and medical treatment of children.

Shadie Niles Trust - Established to account for funds received from the Shadie Niles Trust. To be used, applied or expended annually to assist elderly residents of the Town of Camden, Maine with payment of real estate taxes, fuel and utilities.

French Fund - Established to account for funds received from the French Fund.

LaCasse Scholarship Fund - A scholarship fund established in memory of Marcel LaCasse. Income is used to support the ski scholarship program at the Camden Snow Bowl.



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

(with comparative totals for June 30, 2009)

	(with comparative totals for June 30, 2009)										Totals			
	Camden Snow Bowl	Camden Nellie A. Knowlton Fund	Mountain View Cemetery Fund	Oak Hill Cemetery Fund	Camden Public Library Fund	Atlantic Engine Company No. 2 Fund	Village Green Fund	Irene F. Laite Trust	Olive A. Coates Trust	Shadie Niles Trust Fund	French Fund	LaCasse Scholarship Fund	2010	2009
ASSETS														
Cash and cash equivalents	\$ -	-	-	-	-	-	-	-	1,902	4	11,017	152,621	144,418	
Investments	13,236	14,230	708,698	235,252	13,286	13,293	2,287	76,212	-	-	-	1,076,494	1,024,969	
Interfund loans receivable	-	509	-	-	-	-	-	-	2,261	-	-	2,770	2,770	
Total assets	\$ 13,236	14,739	708,698	235,252	13,286	13,293	2,287	76,212	1,902	4	11,017	1,231,885	1,172,157	
LIABILITIES AND FUND BALANCES														
Liabilities:														
Accounts payable	293	315	15,781	5,238	295	296	51	1,640	-	-	-	23,909	34,783	
Interfund loans payable	-	-	-	-	-	-	-	-	141	-	-	141	141	
Total liabilities	293	315	15,781	5,238	295	296	51	1,640	141	-	-	24,050	34,924	
Fund balances:														
Nonexpendable trust principal	12,943	13,913	692,917	230,014	12,991	12,997	2,236	74,572	-	-	-	1,052,583	1,001,808	
Unreserved:														
Undesignated	-	511	-	-	-	-	-	-	141,959	4	11,017	155,252	135,425	
Total fund balances	12,943	14,424	692,917	230,014	12,991	12,997	2,236	74,572	141,959	4	11,017	1,207,835	1,137,233	
Total liabilities and fund balances	\$ 13,236	14,739	708,698	235,252	13,286	13,293	2,287	76,212	141,959	4	11,017	1,231,885	1,172,157	

TOWN OF CAMDEN, MAINE
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Permanent Funds
For the year ended June 30, 2010
(with comparative totals for June 30, 2009)

	Camden										Totals			
	Snow Bowl	Nellie A. Knowlton	View Cemetery	Oak Hill Cemetery	Public Library	Atlantic Engine Company No. 2	Village Green	Irene F. Laite Trust	Olive A. Coates Fund	Shadie Niles Trust	French Fund	LaCasse Scholarship Fund	2010	2009
Revenues:														
Contributions	-	-	-	-	-	-	-	-	64,838	5,277	5,028	-	75,143	58,859
Realized and unrealized gains (losses)	791	850	42,327	14,050	794	794	137	4,399	-	-	-	-	64,142	(133,251)
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	2,360
Investment income	303	326	16,204	5,379	304	304	52	1,684	1,339	80	15	114	26,104	38,242
Total revenues	1,094	1,176	58,531	19,429	1,098	1,098	189	6,083	66,177	5,357	5,043	114	165,389	(33,790)
Expenditures:														
Charitable aid	295	317	-	-	296	296	51	1,640	42,928	20,217	5,133	210	71,383	44,733
Cemetery care	-	-	15,781	5,238	-	-	-	-	-	-	-	-	21,019	32,825
Other	-	-	858	1,525	-	-	-	2	-	-	-	-	2,385	5,342
Total expenditures	295	317	16,639	6,763	296	296	51	1,642	42,928	20,217	5,133	210	94,787	82,900
Net change in fund balances	799	859	41,892	12,666	802	802	138	4,441	23,249	(14,860)	(90)	(96)	70,602	(116,690)
Fund balances, beginning of year	12,144	13,565	651,025	217,348	12,189	12,195	2,098	70,131	118,710	16,621	94	11,113	1,137,233	1,253,923
Fund balances, end of year	\$ 12,943	14,424	692,917	230,014	12,991	12,997	2,236	74,572	141,959	1,761	4	11,017	1,207,835	1,137,233

AGENCY FUNDS

Camden Cemetery Association - This fund accounts for the assets and liabilities the Town holds on behalf of the Camden Cemetery Association. The Association administers the two cemeteries located in the Town of Camden, Maine.



TOWN OF CAMDEN, MAINE
Statement of Changes in Assets and Liabilities
Agency Funds
For the year ended June 30, 2010

	Balance 7/1/2009	Additions	Deletions	Balance 6/30/2010
CEMETERY FUNDS:				
ASSETS				
Cash	\$ 50,970	653	2,886	48,737
Interfund loans receivable (payable)	(12,644)	71,203	77,043	(18,484)
Accounts receivable	32,824	-	11,805	21,019
Total assets	\$ 71,150	71,856	91,734	51,272
LIABILITIES				
Held on behalf of others	71,150	71,856	91,734	51,272
Total liabilities	\$ 71,150	71,856	91,734	51,272

