

Basic Financial Statements

STATEMENT OF NET ASSETS

JUNE 30, 2008

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents.....	\$ 2,196,412	\$ 134,061	\$ 2,330,473
Restricted cash and cash equivalents.....	1,986,754	-	1,986,754
Investments.....	51,891	-	51,891
Receivables, net of allowance for uncollectible amounts:			
Real estate and personal property taxes.....	271,555	-	271,555
Tax and utility liens.....	202,482	2,341	204,823
Motor vehicle and other excise taxes.....	60,835	-	60,835
Community preservation surcharges.....	3,177	-	3,177
Water charges.....	-	273,685	273,685
Departmental and other.....	38,490	-	38,490
Loans.....	2,544	-	2,544
Tax foreclosures.....	201,028	-	201,028
Total current assets.....	5,015,168	410,087	5,425,255
Noncurrent assets:			
Receivables, net of allowance for uncollectible amounts:			
Real estate tax deferrals.....	78,501	-	78,501
Loans.....	23,632	-	23,632
Capital assets not being depreciated.....	796,875	283,912	1,080,787
Capital assets, net of accumulated depreciation.....	13,524,506	5,498,194	19,022,700
Total noncurrent assets.....	14,423,514	5,782,106	20,205,620
Total assets.....	19,438,682	6,192,193	25,630,875
LIABILITIES			
Current liabilities:			
Warrants payable.....	193,653	38,409	232,062
Accrued payroll.....	120,529	5,070	125,599
Other liabilities.....	8,569	-	8,569
Accrued interest.....	71,941	-	71,941
Capital lease obligations.....	35,507	-	35,507
Compensated absences.....	32,235	2,449	34,684
Long-term bonds and notes payable.....	440,000	175,000	615,000
Total current liabilities.....	902,434	220,928	1,123,362
Noncurrent liabilities:			
Capital lease obligations.....	75,325	-	75,325
Compensated absences.....	290,115	22,045	312,160
Long-term bonds and notes payable.....	6,500,000	1,925,000	8,425,000
Total noncurrent liabilities.....	6,865,440	1,947,045	8,812,485
Total liabilities.....	7,767,874	2,167,973	9,935,847
NET ASSETS			
Invested in capital assets, net of related debt.....	7,461,909	3,682,106	11,144,015
Restricted for:			
Community preservation.....	1,372,240	-	1,372,240
Loans.....	26,176	-	26,176
Permanent funds:			
Expendable.....	229,508	-	229,508
Nonexpendable.....	295,465	-	295,465
Other specific purposes.....	183,057	-	183,057
Unrestricted.....	2,102,453	342,114	2,444,567
Total net assets.....	\$ 11,670,808	\$ 4,024,220	\$ 15,695,028

STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED JUNE 30, 2008

Functions/Programs	Expenses	Program Revenues			Net (Expense)/ Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government:					
Governmental activities:					
General government.....	\$ 1,489,046	\$ 84,078	\$ 68,860	\$ -	\$ (1,336,108)
Public safety.....	3,851,180	594,871	335,713	-	(2,920,596)
Education.....	14,661,560	-	4,740	-	(14,656,820)
Public works.....	1,929,613	28,578	194,393	334,962	(1,371,680)
Health and human services.....	376,034	29,060	41,545	-	(305,429)
Culture and recreation.....	1,701,739	176,887	457,179	-	(1,067,673)
Debt service - interest.....	353,355	-	-	-	(353,355)
Total governmental activities.....	<u>24,362,527</u>	<u>913,474</u>	<u>1,102,430</u>	<u>334,962</u>	<u>(22,011,661)</u>
Business-type activities:					
Water.....	834,393	825,879	423	-	(8,091)
Waste removal.....	11,343	16,600	10,520	-	15,777
Total business-type activities.....	<u>845,736</u>	<u>842,479</u>	<u>10,943</u>	<u>-</u>	<u>7,686</u>
Total primary government.....	<u>\$ 25,208,263</u>	<u>\$ 1,755,953</u>	<u>\$ 1,113,373</u>	<u>\$ 334,962</u>	<u>\$ (22,003,975)</u>

STATEMENT OF ACTIVITIES (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Changes in net assets:			
Net (expense)/revenue (from previous page).....	\$ (22,011,661)	\$ 7,686	\$ (22,003,975)
<i>General revenues:</i>			
Real estate, personal property taxes and tax liens.....	19,781,107	-	19,781,107
Motor vehicle and other excise taxes.....	969,319	-	969,319
Penalties and interest on taxes.....	58,523	-	58,523
Payments in lieu of taxes.....	34,947	-	34,947
Community preservation surcharges.....	321,718	-	321,718
Grants and contributions not restricted to specific programs.....	944,513	-	944,513
Unrestricted investment income.....	79,785	-	79,785
<i>Transfers, net</i>	(15,126)	15,126	-
Total general revenues, special items and transfers.....	22,174,786	15,126	22,189,912
Change in net assets.....	163,125	22,812	185,937
Net assets - beginning of year.....	11,507,683	4,001,408	15,509,091
Net assets - end of year.....	\$ 11,670,808	\$ 4,024,220	\$ 15,695,028

GOVERNMENTAL FUNDS
BALANCE SHEET

JUNE 30, 2008

ASSETS	<u>General</u>	<u>Stabilization</u>	<u>Community Preservation</u>
Cash and cash equivalents.....	\$ 793,339	\$ 619,778	\$ -
Investments.....	-	-	-
Receivables, net of allowance for uncollectible amounts:			
Real estate and personal property taxes.....	271,555	-	-
Real estate tax deferrals.....	78,501	-	-
Tax liens.....	202,482	-	-
Motor vehicle and other excise taxes.....	60,835	-	-
Community preservation surcharges.....	-	-	3,177
Departmental and other.....	-	-	-
Loans.....	-	-	-
Tax foreclosures.....	201,028	-	-
Restricted assets:			
Cash and cash equivalents.....	-	-	1,376,790
TOTAL ASSETS.....	<u>\$ 1,607,740</u>	<u>\$ 619,778</u>	<u>\$ 1,379,967</u>
 LIABILITIES AND FUND BALANCES			
LIABILITIES:			
Warrants payable.....	\$ 166,876	\$ -	\$ 7,389
Accrued payroll.....	96,833	-	338
Other liabilities.....	8,569	-	-
Deferred revenue.....	684,094	-	3,177
TOTAL LIABILITIES.....	<u>956,372</u>	<u>-</u>	<u>10,904</u>
 FUND BALANCES:			
Reserved for:			
Encumbrances and continuing appropriations.....	157,035	-	-
Loans.....	-	-	-
Perpetual permanent funds.....	-	-	-
Other specific purposes.....	-	-	-
Unreserved:			
Undesignated, reported in:			
General fund.....	494,333	-	-
Special revenue funds.....	-	619,778	1,369,063
Capital projects funds.....	-	-	-
Permanent funds.....	-	-	-
TOTAL FUND BALANCES.....	<u>651,368</u>	<u>619,778</u>	<u>1,369,063</u>
TOTAL LIABILITIES AND FUND BALANCES.....	<u>\$ 1,607,740</u>	<u>\$ 619,778</u>	<u>\$ 1,379,967</u>

Police/Fire Station	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 783,295	\$ 2,196,412
-	51,891	51,891
-	-	271,555
-	-	78,501
-	-	202,482
-	-	60,835
-	-	3,177
-	38,490	38,490
-	26,176	26,176
-	-	201,028
<u>18,667</u>	<u>591,297</u>	<u>1,986,754</u>
<u>\$ 18,667</u>	<u>\$ 1,491,149</u>	<u>\$ 5,117,301</u>
\$ -	\$ 19,388	\$ 193,653
-	23,358	120,529
-	-	8,569
<u>-</u>	<u>38,490</u>	<u>725,761</u>
<u>-</u>	<u>81,236</u>	<u>1,048,512</u>
-	-	157,035
-	26,176	26,176
-	295,465	295,465
-	183,057	183,057
-	-	494,333
-	484,347	2,473,188
18,667	191,360	210,027
<u>-</u>	<u>229,508</u>	<u>229,508</u>
<u>18,667</u>	<u>1,409,913</u>	<u>4,068,789</u>
<u>\$ 18,667</u>	<u>\$ 1,491,149</u>	<u>\$ 5,117,301</u>

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	General	Stabilization	Community Preservation
REVENUES			
Real estate and personal property taxes.....	\$ 19,665,105	\$ -	\$ -
Motor vehicle and other excise taxes.....	965,966	-	-
Tax liens.....	219,038	-	-
Payments in lieu of taxes.....	34,947	-	-
Community preservation surcharges.....	-	-	322,536
Charges for services.....	-	-	-
Intergovernmental	1,382,859	-	306,399
Special assessments.....	3,873	-	-
Penalties and interest on taxes.....	58,523	-	-
Licenses, permits and fees.....	347,691	-	-
Fines and forfeitures.....	6,726	-	-
Departmental.....	96,901	-	-
Contributions.....	-	-	-
Investment income.....	58,723	21,056	44,592
Other.....	-	-	-
TOTAL REVENUES.....	22,840,352	21,056	673,527
EXPENDITURES			
Current:			
General government.....	1,132,042	-	15,992
Public safety.....	2,594,851	-	-
Education.....	14,590,567	-	-
Public works.....	1,459,793	-	-
Health and human services.....	122,589	-	5,240
Culture and recreation.....	830,832	-	179,738
Pension benefits.....	487,990	-	-
Employee benefits.....	690,984	-	-
Property and liability insurance.....	155,108	-	-
State and county charges.....	245,602	-	-
Debt service:			
Principal.....	445,000	-	-
Interest.....	357,752	-	-
TOTAL EXPENDITURES.....	23,113,110	-	200,970
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	(272,758)	21,056	472,557
OTHER FINANCING SOURCES (USES)			
Transfers in.....	169,418	-	-
Transfers out.....	(161,427)	-	-
TOTAL OTHER FINANCING SOURCES (USES).....	7,991	-	-
NET CHANGE IN FUND BALANCES.....	(264,767)	21,056	472,557
FUND BALANCES AT BEGINNING OF YEAR (AS RESTATED).....	916,135	598,722	896,506
FUND BALANCES AT END OF YEAR.....	\$ 651,368	\$ 619,778	\$ 1,369,063

Police/Fire Station	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 19,665,105
-	-	965,966
-	-	219,038
-	-	34,947
-	-	322,536
-	473,773	473,773
-	554,497	2,243,755
-	-	3,873
-	-	58,523
-	-	347,691
-	-	6,726
-	5,000	101,901
-	22,812	22,812
-	42,771	167,142
-	32,956	32,956
-	<u>1,131,809</u>	<u>24,666,744</u>
-	38,252	1,186,286
163,634	364,082	3,122,567
-	8,117	14,598,684
-	462,763	1,922,556
-	7,849	135,678
-	485,940	1,496,510
-	-	487,990
-	-	690,984
-	-	155,108
-	-	245,602
-	-	445,000
-	-	357,752
<u>163,634</u>	<u>1,367,003</u>	<u>24,844,717</u>
<u>(163,634)</u>	<u>(235,194)</u>	<u>(177,973)</u>
-	17,226	186,644
-	<u>(40,343)</u>	<u>(201,770)</u>
-	<u>(23,117)</u>	<u>(15,126)</u>
<u>(163,634)</u>	<u>(258,311)</u>	<u>(193,099)</u>
<u>182,301</u>	<u>1,668,224</u>	<u>4,261,888</u>
<u>\$ 18,667</u>	<u>\$ 1,409,913</u>	<u>\$ 4,068,789</u>

**PROPRIETARY FUNDS
STATEMENT OF NET ASSETS**

JUNE 30, 2008

	<u>Business-Type Activities - Enterprise Funds</u>		
ASSETS	<u>Water</u>	<u>Waste Removal</u>	<u>Total</u>
Current assets:			
Cash and cash equivalents.....	\$ 118,284	\$ 15,777	\$ 134,061
Receivables, net of allowance for uncollectible amounts:			
Water charges.....	273,685	-	273,685
Water liens.....	2,341	-	2,341
Total current assets.....	<u>394,310</u>	<u>15,777</u>	<u>410,087</u>
Noncurrent assets:			
Capital assets not being depreciated.....	283,912	-	283,912
Capital assets, net of accumulated depreciation.....	5,498,194	-	5,498,194
Total noncurrent assets.....	<u>5,782,106</u>	<u>-</u>	<u>5,782,106</u>
Total assets.....	<u>6,176,416</u>	<u>15,777</u>	<u>6,192,193</u>
LIABILITIES			
Current liabilities:			
Warrants payable.....	38,409	-	38,409
Accrued payroll.....	5,070	-	5,070
Compensated absences.....	2,449	-	2,449
Long-term bonds and notes payable.....	175,000	-	175,000
Total current liabilities.....	<u>220,928</u>	<u>-</u>	<u>220,928</u>
Noncurrent liabilities:			
Compensated absences.....	22,045	-	22,045
Long-term bonds and notes payable.....	1,925,000	-	1,925,000
Total noncurrent liabilities.....	<u>1,947,045</u>	<u>-</u>	<u>1,947,045</u>
Total liabilities.....	<u>2,167,973</u>	<u>-</u>	<u>2,167,973</u>
NET ASSETS			
Invested in capital assets, net of related debt.....	3,682,106	-	3,682,106
Unrestricted.....	326,337	15,777	342,114
Total net assets.....	<u>\$ 4,008,443</u>	<u>\$ 15,777</u>	<u>\$ 4,024,220</u>

PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Water</u>	<u>Waste Removal</u>	<u>Total</u>
OPERATING REVENUES			
Charges for services.....	\$ 810,263	\$ 16,600	\$ 826,863
Other.....	15,616	-	15,616
TOTAL OPERATING REVENUES.....	825,879	16,600	842,479
OPERATING EXPENSES			
Cost of service and administration.....	532,625	11,343	543,968
Depreciation.....	171,516	-	171,516
TOTAL OPERATING EXPENSES.....	704,141	11,343	715,484
OPERATING INCOME (LOSS).....	121,738	5,257	126,995
NONOPERATING REVENUES (EXPENSES)			
Intergovernmental.....	-	10,520	10,520
Investment income.....	423	-	423
Interest expense.....	(130,252)	-	(130,252)
TOTAL NONOPERATING REVENUES (EXPENSES), NET.....	(129,829)	10,520	(119,309)
INCOME (LOSS) BEFORE TRANSFERS.....	(8,091)	15,777	7,686
TRANSFERS			
Transfers in.....	155,126	-	155,126
Transfers out.....	(140,000)	-	(140,000)
TOTAL TRANSFERS.....	15,126	-	15,126
CHANGE IN NET ASSETS.....	7,035	15,777	22,812
NET ASSETS AT BEGINNING OF YEAR.....	4,001,408	-	4,001,408
NET ASSETS AT END OF YEAR.....	\$ 4,008,443	\$ 15,777	\$ 4,024,220

PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS

FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	Business-Type Activities - Enterprise Funds		
	Water	Waste Removal	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users.....	\$ 819,416	\$ 16,600	\$ 836,016
Payments to vendors.....	(280,410)	(11,343)	(291,753)
Payments to employees.....	(252,732)	-	(252,732)
NET CASH FROM OPERATING ACTIVITIES.....	<u>286,274</u>	<u>5,257</u>	<u>291,531</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers in.....	155,126	-	155,126
Transfers out.....	(140,000)	-	(140,000)
Intergovernmental.....	-	10,520	10,520
NET CASH FROM NONCAPITAL FINANCING ACTIVITIES.....	<u>15,126</u>	<u>10,520</u>	<u>25,646</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Principal payments on bonds and notes.....	(180,000)	-	(180,000)
Interest expense.....	(130,252)	-	(130,252)
NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES.....	<u>(310,252)</u>	<u>-</u>	<u>(310,252)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income.....	423	-	423
NET CHANGE IN CASH AND CASH EQUIVALENTS.....	(8,429)	15,777	7,348
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR.....	126,713	-	126,713
CASH AND CASH EQUIVALENTS AT END OF YEAR.....	<u>\$ 118,284</u>	<u>\$ 15,777</u>	<u>\$ 134,061</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES			
Operating income (loss).....	\$ 121,738	\$ 5,257	\$ 126,995
Adjustments to reconcile operating income (loss) to net cash from operating activities:			
Depreciation.....	171,516	-	171,516
Changes in assets and liabilities:			
Water charges.....	(6,738)	-	(6,738)
Water liens.....	275	-	275
Warrants payable.....	(3,869)	-	(3,869)
Accrued payroll.....	(1,192)	-	(1,192)
Accrued compensated absences.....	4,544	-	4,544
Total adjustments.....	<u>164,536</u>	<u>-</u>	<u>164,536</u>
NET CASH FROM OPERATING ACTIVITIES.....	<u>\$ 286,274</u>	<u>\$ 5,257</u>	<u>\$ 291,531</u>

FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>Private Purpose Trust Funds</u>
ADDITIONS	
Contributions:	
Private donations.....	\$ 7,748
Net investment income:	
Interest.....	<u>2,081</u>
TOTAL ADDITIONS.....	<u>9,829</u>
DEDUCTIONS	
Other.....	<u>6,029</u>
CHANGE IN NET ASSETS.....	3,800
NET ASSETS AT BEGINNING OF YEAR.....	<u>55,566</u>
NET ASSETS AT END OF YEAR.....	<u><u>\$ 59,366</u></u>