

Financial Statements

Town of Wayne, Maine

June 30, 2009

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Town of Wayne, Maine

June 30, 2009

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Independent Auditors' Report

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

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Wayne, Maine, as of and for the year ended June 30, 2009, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on these basic financial statements based on our audit. We did not audit the financial statements of the Wayne School Department's general fund and fiduciary fund (agency fund - student activity accounts). Those financial statements were audited by other auditors whose report has been furnished to us, and in our opinion, insofar as it relates to the amounts included for the general fund and the fiduciary fund, is based solely on the report of the other auditors.

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

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Wayne, Maine as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparison for the General Fund, thereof and for the year then ended, in conformity with United States generally accepted accounting principles.

The Management's Discussion and Analysis, as listed in the table of contents, is not a required part of the basic financial statements but is supplementary information required by United States generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Purdy Powers & Company
Professional Association

**Portland, Maine
February 9, 2010**

TOWN OF WAYNE

Incorporated February 12, 1798

Telephone: 207-685-4983

Fax: 207-685-3836

Management's Discussion and Analysis

As Management of the Town of Wayne, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2009. Please read it in conjunction with the Town's financial statements, which begin on page 3. The Town implemented Governmental Accounting Standards Board Statement 34 - Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments (Statement 34) for the first time for fiscal year 2004.

Using this Annual Report

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 3-4) provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Fund financial statements start on page 5. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds. The remaining statements provide financial information about activities for which the Town acts solely as a trustee or agent for the benefit of those outside of the government.

Reporting the Town as a Whole

The Statement of Net Assets and the Statement of Activities

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

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

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

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

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

Our analysis of the Town's major funds begins with the fund financial statements on page 5 and provides detailed information about the most significant funds-not the Town as a whole. Some funds are required to be established by State law. However, the Town Selectboard establish many other funds to help control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money.

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

The Town as Trustee

Reporting the Town's Fiduciary Responsibilities

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

THE TOWN AS A WHOLE

For the year ended June 30, 2009, net assets changed as follows:

	Governmental Activities
Beginning net assets	\$ 3,898,410
Increase in net assets	<u>90,297</u>
Ending net assets	<u>\$ 3,988,707</u>

That reflects an increase of approximately 2.4% for governmental activities.

Governmental Activities

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

General government	Building permits, agency fees, and dog licenses.
Public services	State general assistance reimbursements.
Education	State aid grants and miscellaneous education revenue.
Public Works	State highway aid grant and transfer station receipts.

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

THE TOWN'S FUNDS

The following schedule presents a summary of general fund revenues and expenditures for the fiscal year ended June 30, 2009, and the amount and percentage of increases and decreases in relation to the prior year.

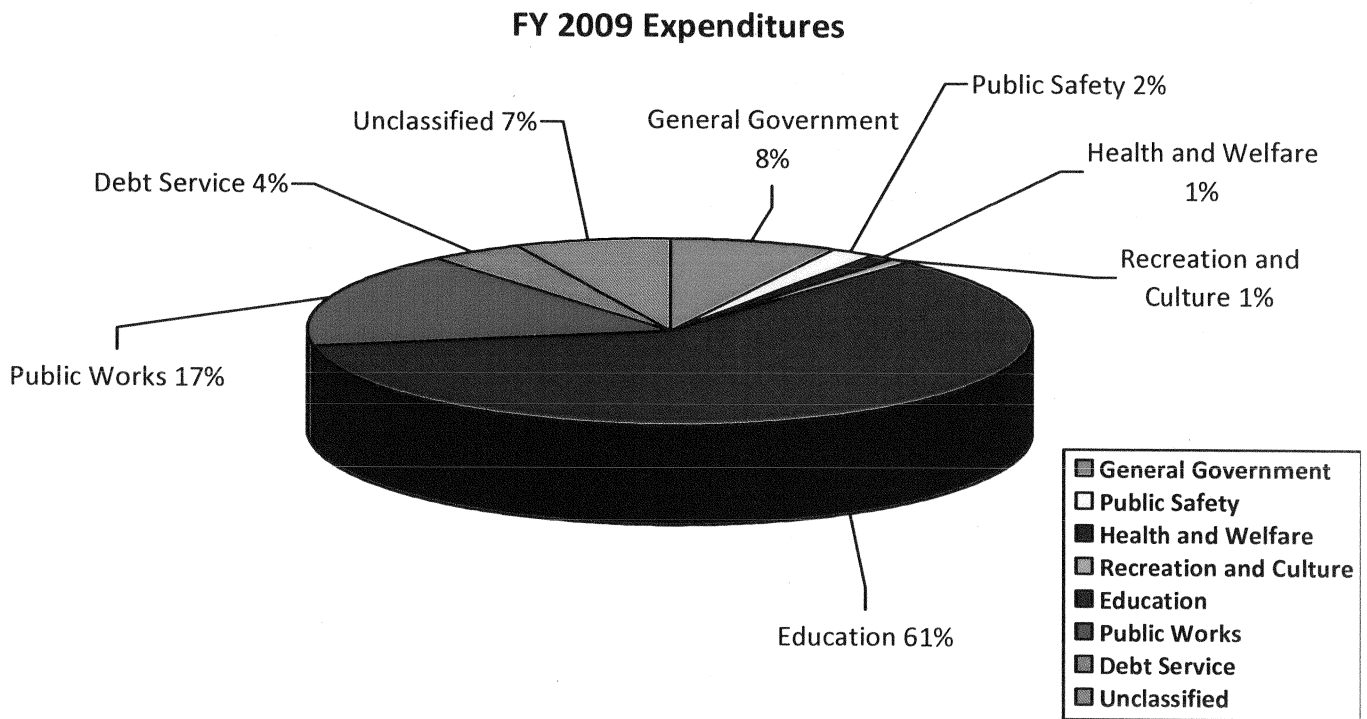
<i><u>Revenue</u></i>	<i><u>FY 2009 Amount</u></i>	<i><u>Percent of Total</u></i>	<i><u>Increase (Decrease) from FY 2008</u></i>
<i>Property Taxes</i>	\$ 2,341,471	80.96%	\$ 84,813
<i>Excise Taxes</i>	196,682	6.80%	(5,047)
<i>Intergovernmental</i>	322,382	11.15%	(111,085)
<i>Miscellaneous</i>	31,452	1.09%	(26,067)
Total Revenue	\$ 2,891,987	100.00%	\$ (57,386)

FY 2009 Revenue



Overall, revenues decreased by 1.95% compared to FY 2008, though property tax revenue increased 3.8%. The reduced revenues in FY 09 was education subsidy, just under \$50,000 also in FY 08 we were awarded just under \$70,000 in FEMA grants (primarily Fire Dept.). Misc. revenue went down in FY 09 primarily in interest earned on the checking account down to \$26,500. You can find the impact of this in all the revenue lines in the table above. Due to the reduction in all other revenue, property taxes in turn regrettably went up to cover the loss of other revenues.

<u>Expenditures</u>	<u>FY 2009 Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from FY 2008</u>
<i>General government</i>	\$ 205,955	7.53%	\$ (10,496)
<i>Public safety</i>	56,468	2.06%	(58,358)
<i>Health and welfare</i>	26,671	0.97%	4,614
<i>Recreation and culture</i>	25,885	0.94%	4,307
<i>Education</i>	1,662,267	60.68%	(50,212)
<i>Public works</i>	456,754	16.67%	(3,433)
<i>Debt service</i>	118,172	4.31%	54,956
<i>Unclassified</i>	187,389	6.84%	6,168
Total Expenditures	\$ 2,739,561	100.00%	\$ (52,454)



Overall, expenditures decreased by 1.88% from FY 2008. The Town kept up with the pledge to the citizens by the Select Board to pave the second half of Pond Road. The Town was able to do this with monies from the budget lines Paving and Special Reserve for Pond Rd. It was an exceptional year in the world of paving; during the summer/fall of 2008 the price per ton for asphalt got \$90 per ton. It is not expected to see this price for asphalt in the future, as it would reduce our ability to pave the same amount of miles of roads.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the Town Meeting did not revise the General Fund budget. The budget relied heavily on the expectation of a level mill rate for this year. The development of the budget consisted of reductions were possible to achieve the same mill rate as FY 08.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2009, the Town had approximately \$7,440,000 invested in capital assets including land and buildings, fire trucks and equipment, roads, and other infrastructure. (See table below)

	Governmental Activities	
	<u>2009</u>	<u>2008</u>
Land	\$ 805,000	\$ 805,000
Construction in Progress	---	472,827
Buildings	1,218,039	1,218,039
Equipment	405,911	405,911
Infrastructure (roads and dams)	<u>5,013,469</u>	<u>4,450,507</u>
TOTALS	<u>\$ 7,442,419</u>	<u>\$ 7,352,284</u>

Debt

At year-end, the Town had \$320,000 in outstanding debt compared to \$422,486 last year. The following table shows a comparison by year:

	Governmental Activities	
	<u>2009</u>	<u>2008</u>
Bond payable	<u>\$ 320,000</u>	<u>\$ 422,486</u>

Other obligations of the Town include accrued compensated absences for unused vacation and sick time.

The Town mad a final payment of \$23,200 on the Fire Station Bond during FY 09.

There is no exception for financing Town Expenditures in the near future.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Due to the State of Maine budget curtailment for the current FY 10 budget the Town's revenue sharing, general assistance reimbursements, URIP funds, and homestead exemption reimbursements shall be cut from forecasted amounts and are projected to be cut even further in FY 11. The Town will more than likely bear a heavier burden for school costs in the future. Revenues are likely to be down in the areas of intergovernmental and miscellaneous taxes/fees putting pressure on further need to increase property tax revenue. The Town should be prepared to see increases in slow/delinquent property tax payments and/or property tax default/foreclosure. Next year's general fund budget will be determined based on the Select Board's forecast of Town needs and ability to afford desired programs/projects.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, visit the Town Office at 3 Lovejoy Pond Road in Wayne or call 685-4983.

Statement of Net Assets

Town of Wayne, Maine

As of June 30, 2009

	<u>Governmental Activities</u>
Assets	
Cash (<i>note B</i>)	\$ 1,276,802
Taxes receivable	86,304
Tax liens receivable	20,980
Accounts receivable	2,884
Capital assets, net of accumulated depreciation (<i>note C</i>)	<u>3,036,643</u>
Total Assets	4,423,613
Liabilities	
Accounts payable	44,851
Taxes paid in advance	803
Accrued wages	39,164
Due to government agencies	7,342
Accrued interest payable	11,162
Long-term liabilities (<i>note F</i>):	
Portion due or payable within one year:	
Bonds payable	80,000
Accrued vacation	3,000
Portion due or payable after one year:	
Bonds payable	240,000
Accrued vacation	<u>8,584</u>
Total Liabilities	<u>434,906</u>
Net Assets	
Invested in capital assets, net of related debt	2,716,643
Unrestricted	<u>1,272,064</u>
Total Net Assets	<u>\$ 3,988,707</u>

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

Statement of Activities

Town of Wayne, Maine

For the Year Ended June 30, 2009

Function/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Governmental Activities
Governmental Activities:				
General government	\$ 219,682	\$ 5,199	\$ -	\$ (214,483)
Public safety	89,781	-	-	(89,781)
Health and welfare	26,671	-	1,576	(25,095)
Recreation and culture	32,361	-	-	(32,361)
Education	1,659,369	-	159,060	(1,500,309)
Public works	565,130	-	34,556	(530,574)
Unclassified	207,589	-	-	(207,589)
Interest on long-term debt	15,338	-	-	(15,338)
Total Governmental Activities	\$ 2,815,921	\$ 5,199	\$ 195,192	(2,615,530)

General revenues:

Taxes:

Property	2,341,471
Excise	196,682
Intergovernmental	127,190
Interest income	15,647
Miscellaneous	24,837

Total General Revenues 2,705,827

Change in Net Assets 90,297

Net assets at beginning of year 3,898,410

Net Assets at End of Year \$ 3,988,707

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

Balance Sheet - Governmental Funds

Town of Wayne, Maine

As of June 30, 2009

	General	Fire Truck	Other Governmental Funds	Total Governmental Funds
Assets				
Cash (<i>note B</i>)	\$ 896,562	\$ 243,725	\$ 136,515	\$ 1,276,802
Taxes receivable	86,304	-	-	86,304
Tax liens receivable	20,980	-	-	20,980
Intergovernmental receivable	2,884	-	-	2,884
Due from other funds (<i>note D</i>)	450	-	73,811	74,261
Total Assets	\$ 1,007,180	\$ 243,725	\$ 210,326	\$ 1,461,231
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ 44,851	\$ -	\$ -	\$ 44,851
Taxes paid in advance	803	-	-	803
Accrued wages	39,164	-	-	39,164
Due to government agencies	7,342	-	-	7,342
Due to other funds (<i>note D</i>)	73,811	-	450	74,261
Deferred property taxes	73,000	-	-	73,000
Total Liabilities	238,971	-	450	239,421
Fund Balances				
Unreserved:				
Designated (<i>note G</i>)	85,934	243,725	209,876	539,535
Undesignated	682,275	-	-	682,275
Total Fund Balances	768,209	243,725	209,876	1,221,810
Total Liabilities and Fund Balances	\$ 1,007,180	\$ 243,725	\$ 210,326	\$ 1,461,231

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

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

Town of Wayne, Maine

As of June 30, 2009

Total Fund Balances - Governmental Funds \$ 1,221,810

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

Capital assets used in governmental activities are not financial
resources and therefore are not reported as assets in governmental
funds. The cost of capital assets, net of accumulated depreciation is: 3,036,643

Property tax revenues are presented on the modified accrual basis
of accounting in the governmental funds but in the Statement of
Activities, property tax revenue is reported under the accrual method.
The balance in deferred property tax revenue in the governmental
funds as a liability is: 73,000

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

Bonds payable	\$ (320,000)	
Accrued interest payable	(11,162)	
Accrued vacation	<u>(11,584)</u>	
		<u>(342,746)</u>

Total Net Assets - Governmental Activities \$ 3,988,707

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

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

Town of Wayne, Maine

For the Year Ended June 30, 2009

	<u>General</u>	<u>Fire Truck</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues				
Taxes				
Property	\$ 2,341,471	\$ -	\$ -	\$ 2,341,471
Excise	196,682	-	-	196,682
Intergovernmental	322,382	-	-	322,382
MSRS on behalf payments	61,810	-	-	61,810
Miscellaneous	31,452	2,440	11,792	45,684
Total Revenues	<u>2,953,797</u>	<u>2,440</u>	<u>11,792</u>	<u>2,968,029</u>
Expenditures				
Current				
General government	205,955	-	-	205,955
Public safety	56,468	-	-	56,468
Health and welfare	26,671	-	-	26,671
Recreation and culture	25,885	-	-	25,885
Education	1,662,267	-	-	1,662,267
MSRS on behalf payments	61,810	-	-	61,810
Public works	456,754	-	6,976	463,730
Unclassified	187,389	-	20,200	207,589
Debt service - principal	102,486	-	-	102,486
- interest	15,686	-	-	15,686
Capital outlay	-	-	85,718	85,718
Total Expenditures	<u>2,801,371</u>	<u>-</u>	<u>112,894</u>	<u>2,914,265</u>
Revenues Over (Under) Expenditures	152,426	2,440	(101,102)	53,764
Other Financing Sources (Uses)				
Operating transfers in	-	25,000	56,500	81,500
Operating transfers out	(81,500)	-	-	(81,500)
Total Other Financing Sources (Uses)	<u>(81,500)</u>	<u>25,000</u>	<u>56,500</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenditures and Other Uses	70,926	27,440	(44,602)	53,764
Fund balances at beginning of year	<u>697,283</u>	<u>216,285</u>	<u>254,478</u>	<u>1,168,046</u>
Fund Balances at End of Year	<u>\$ 768,209</u>	<u>\$ 243,725</u>	<u>\$ 209,876</u>	<u>\$ 1,221,810</u>

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

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

Town of Wayne, Maine

As of June 30, 2009

Net Change in Fund Balances - Total Governmental Funds \$ 53,764

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

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

Capital asset additions	\$ 90,135	
Depreciation expense	<u>(173,437)</u>	(83,302)

Property tax revenues are presented on the modified accrual basis of accounting in the governmental funds but in the Statement of Activities, property tax revenue is reported under the accrual method. The current year change in deferred property tax revenue reported in the governmental funds and not in the statement of activities is:

-

Bond proceeds provide current resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. This is the principal portion of debt service payments in the current period.

102,486

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

Change in accrued interest payable	348	
Change in accrued vacation	<u>17,001</u>	<u>17,349</u>

Change in Net Assets of Governmental Activities \$ 90,297

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

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

Town of Wayne, Maine

For the Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Revenues				
Taxes				
Property	\$ 2,340,812	\$ 2,340,812	\$ 2,341,471	\$ 659
Excise	180,000	180,000	196,682	16,682
Intergovernmental				
State revenue sharing	80,000	80,000	88,080	8,080
Local road assistance	33,000	33,000	34,556	1,556
Other	105,362	200,106	199,746	(360)
MSRS on behalf payments	-	-	61,810	61,810
Miscellaneous	500	500	31,452	30,952
Total Revenues	2,739,674	2,834,418	2,953,797	119,379
Expenditures				
Current				
General government	251,441	251,441	205,955	45,486
Public safety	74,544	74,544	56,468	18,076
Health and welfare	28,914	28,914	26,671	2,243
Recreation and culture	27,771	27,771	25,885	1,886
Education	1,627,714	1,722,458	1,662,267	60,191
MSRS on behalf payments	-	-	61,810	(61,810)
Public works	546,079	546,079	456,754	89,325
Unclassified	187,419	187,419	187,389	30
Debt service - principal	102,486	102,486	102,486	-
- interest	16,942	16,942	15,686	1,256
Total Expenditures	2,863,310	2,958,054	2,801,371	156,683
Revenues Over (Under) Expenditures	(123,636)	(123,636)	152,426	276,062
Other Financing Sources (Uses)				
Operating transfers out	(81,500)	(81,500)	(81,500)	-
Utilization of designated surplus	88,272	88,272	-	(88,272)
Utilization of undesignated surplus	138,000	138,000	-	(138,000)
Total Other Financing Sources (Uses)	144,772	144,772	(81,500)	(226,272)
Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ 21,136	\$ 21,136	70,926	\$ 49,790
Fund balance at beginning of year			697,283	
Fund Balance at End of Year			\$ 768,209	

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

Statement of Net Assets
Fiduciary Funds - Agency Fund

Town of Wayne, Maine

As of June 30, 2009

	<u>Student Activity Accounts</u>
Assets	
Cash	\$ 1,718
Total Assets	<u>1,718</u>
Liabilities	
Held for student activities and other purposes	<u>1,718</u>
Total Liabilities	<u>1,718</u>
Net Assets	<u><u>\$ -</u></u>

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

Notes to Financial Statements

Town of Wayne, Maine

Note A - Summary of Significant Accounting Policies

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

Principles Determining Scope of Reporting Entity

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

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

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

Basis of Presentation

Government-wide Financial Statements

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

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

Notes to Financial Statements - Continued

Town of Wayne, Maine

Note A - Summary of Significant Accounting Policies - Continued

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

Fund Financial Statements

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

Governmental Activities

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

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

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

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

Fiduciary Funds (not included in Government-wide statements)

The Town's fiduciary funds are presented in the fiduciary fund statements by type. Since by definition these assets are being held for the benefit of a third party and can not be used to address activities or obligations of the Town, these funds are not incorporated into the Government-wide statements.

Agency Funds are used to account for assets held by the Town as an agent for individuals, private organizations, and/or other government units.

Basis of Accounting

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

Notes to Financial Statements - Continued

Town of Wayne, Maine

Note A - Summary of Significant Accounting Policies - Continued

Accrual

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

Modified Accrual

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

Cash and Cash Equivalents

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

Investments

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

Inventories

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

Capital Assets

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

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

Notes to Financial Statements - Continued

Town of Wayne, Maine

Note A - Summary of Significant Accounting Policies - Continued

Budget

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

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

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

The Town does not adopt budgets for special revenue funds.

Estimates

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

Interfund Activity

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

Notes to Financial Statements - Continued

Town of Wayne, Maine

Note A - Summary of Significant Accounting Policies - Continued

Long-Term Obligations

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

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

Debt Issuance Costs

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

Revenue Recognition - Property Taxes

The Town's property tax for the current year was levied July 22, 2008, on the assessed value listed as of April 1, 2008, for all real and personal property located in the Town. Taxes were due October 1, 2008, January 31, 2009 and April 1, 2009. Interest on unpaid taxes commenced on October 2, 2008, February 1, 2009 and April 2, 2009 at 7.00% per annum.

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

The Town is permitted by the laws of the State of Maine to levy taxes up to 105% of its net budgeted expenditures for the related fiscal period. The amount raised in excess of 100% is referred to as overlay, and amounted to \$21,136 for the year ended June 30, 2009.

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

Notes to Financial Statements - Continued

Town of Wayne, Maine

Note B - Cash

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

Custodial Credit Risk

At June 30, 2009, the carrying amount of the Town's deposits was \$1,278,520 and the bank balance was \$1,318,984. The difference between the carrying amount and the bank balance relates to deposits in transit, outstanding checks and cash on hand at year-end.

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy on custodial credit risk. At June 30, 2009, none of the Town's bank balance was exposed to credit risk.

Certificates of Deposit

Certificates of deposits totaling \$27,382 are included in cash in the accompanying financial statements. The certificates bear interest at varying rates and have maturities ranging from one to two years, with penalties for early withdrawal. Any penalties for early withdrawal would not have a material effect on the financial statements.

Notes to Financial Statements - Continued

Town of Wayne, Maine

Note C - Capital Assets

A summary of capital asset activity for the year ended June 30, 2009, follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements/ Completed</u>	<u>Ending Balance</u>
Governmental Activities:				
Non-Depreciable Assets:				
Land	\$ 805,000	\$ -	\$ -	\$ 805,000
Construction in progress	472,827	90,135	562,962	-
Depreciable Assets:				
Buildings	1,218,039	-	-	1,218,039
Equipment	405,911	-	-	405,911
Infrastructure				
Roads	3,876,267	562,962	-	4,439,229
Dams	<u>574,240</u>	<u>-</u>	<u>-</u>	<u>574,240</u>
Totals at historical cost	7,352,284	653,097	562,962	7,442,419
Less Accumulated Depreciation:				
Buildings	719,214	29,282	-	748,496
Equipment	233,679	27,563	-	261,242
Infrastructure				
Roads	3,090,277	105,108	-	3,195,385
Dams	<u>189,169</u>	<u>11,484</u>	<u>-</u>	<u>200,653</u>
Total accumulated depreciation	<u>4,232,339</u>	<u>173,437</u>	<u>-</u>	<u>4,405,776</u>
Capital Assets, Net	<u>\$ 3,119,945</u>	<u>\$ 479,660</u>	<u>\$ (562,962)</u>	<u>\$ 3,036,643</u>

Depreciation expense was charged to the following functions:

General government	\$ 13,753
Public safety	33,313
Recreation and culture	6,476
Education	14,078
Public works	<u>105,817</u>
Total governmental activities depreciation expense	<u>\$ 173,437</u>

Notes to Financial Statements - Continued

Town of Wayne, Maine

Note D - Interfund Receivables and Payables

Interfund balances at June 30, 2009 consisted of the following individual fund receivables and payables:

	<u>Receivables</u> <u>Due from</u>	<u>Payables</u> <u>Due to</u>	<u>Net Internal</u> <u>Balances</u>
Governmental Activities			
<u>General Fund:</u>			
Special Revenue Fund:			
Municipal Building Engineering Analysis	\$ -	(800)	
Fire Station Addition	-	(1,592)	
Salt and Sand Shed	-	(3,800)	
Land	-	(12,800)	
Town House	-	(11,425)	
Footbridge	-	(6,831)	
Cemetery Stone Cleaning	-	(1,800)	
Lord Road Paving	-	(33,144)	
Hardscrabble Road Upgrade	-	(919)	
Wayne Rescue	-	(200)	
Trust Fund:			
Ladd Special	-	(500)	
Playground	450	-	
	<u>450</u>	<u>(73,811)</u>	<u>\$ (73,361)</u>
<u>Special Revenue Fund:</u>			
General Fund:			
Municipal Building Engineering Analysis	800	-	
Fire Station Addition	1,592	-	
Salt and Sand Shed	3,800	-	
Land	12,800	-	
Town House	11,425	-	
Footbridge	6,831	-	
Cemetery Stone Cleaning	1,800	-	
Lord Road Paving	33,144	-	
Hardscrabble Road Upgrade	919	-	
Wayne Rescue	200	-	
	<u>73,311</u>	<u>-</u>	<u>73,311</u>

Notes to Financial Statements - Continued

Town of Wayne, Maine

Note D - Interfund Receivables and Payables - Continued

	Receivables <u>Due from</u>	Payables <u>Due to</u>	Net Internal <u>Balances</u>
<u>Trust Fund:</u>			
General Fund:	500	-	
Playground	<u>-</u>	<u>(450)</u>	
	<u>500</u>	<u>(450)</u>	<u>50</u>
Total Governmental Activities	<u>\$ 74,261</u>	<u>\$ (74,261)</u>	<u>\$ -</u>

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

Note E - Interfund Transfers

Interfund transfers for the year ended June 30, 2009 consisted of the following amounts:

	Transfers <u>In</u>	Transfers <u>Out</u>	Net <u>Transfers</u>
Governmental Activities			
<u>General Fund:</u>			
<i>Other Governmental Funds:</i>			
Special Revenue (major):			
Fire Truck	\$ -	\$ (25,000)	
Special Revenue (nonmajor):			
Land	-	(2,500)	
Footbridge	-	(1,500)	
Cemetery Stone Cleaning	-	(2,500)	
Pond Road Reconstruction	<u>-</u>	<u>(50,000)</u>	
	<u>-</u>	<u>(56,500)</u>	
	<u>-</u>	<u>(81,500)</u>	<u>(81,500)</u>
<u>Other Governmental Funds:</u>			
<i>Special Revenue:</i>			
General Fund:	<u>81,500</u>	<u>-</u>	<u>81,500</u>
Total Interfund Transfers	<u>\$ 81,500</u>	<u>\$ (81,500)</u>	<u>\$ -</u>

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

Notes to Financial Statements - Continued

Town of Wayne, Maine

Note F - Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2009, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due within One Year</u>
Governmental Activities:					
General obligation debt	\$ 422,486	\$ -	\$ 102,486	\$ 320,000	\$ 80,000
Compensated absences	<u>28,585</u>	<u>-</u>	<u>17,001</u>	<u>11,584</u>	<u>3,000</u>
Total Governmental	<u>\$ 451,071</u>	<u>\$ -</u>	<u>\$ 119,487</u>	<u>\$ 331,584</u>	<u>\$ 83,000</u>

The following is a summary of debt outstanding at June 30, 2009:

General Long-Term Debt:

\$300,000 - 2002 Municipal Bond with the Maine Municipal Bond Bank. Due in annual installments of \$30,000 plus semi-annual interest payments through November of 2012. Interest begins at 2.5% and escalates to 3.45% over the term of the bond. \$ 120,000

\$250,000 - 2007 General Obligation Bond with Androscoggin Savings Bank. Due in annual installments of \$50,000 plus interest at 4.64% through July 2012. 200,000
\$ 320,000

The annual requirements to amortize debt payable are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 80,000	\$ 12,790	\$ 92,790
2011	80,000	9,514	89,514
2012	80,000	6,181	86,181
2013	<u>80,000</u>	<u>2,844</u>	<u>82,844</u>
	<u>\$ 320,000</u>	<u>\$ 31,329</u>	<u>\$ 351,329</u>

Notes to Financial Statements - Continued

Town of Wayne, Maine

Note G - Designated for Subsequent Year's Expenditures

At June 30, 2009, the following general fund account balances were carried forward:

Elementary School	\$	15,936
Fire ponds		1,633
Comprehensive plan		125
Maine State preambulate		966
ADA compliance		1,450
Animal control		1,483
Transfer Station		52,305
Pandemic supplies		5,000
Voting machine		6,500
Conservation Committee		536
	\$	<u>85,934</u>

Note H - Pension Plan

School teachers contribute to the Maine State Retirement System (system), an agent multiple-employer public retirement system that acts as a common investment and administrative agent for public school teachers, state employees and political subdivisions. Teachers are required to contribute 7.65% of their annual salary to the system. The State of Maine, Department of Education is required, by the same statute, to contribute the employer contribution which amounted to \$61,810 (18.76% of the School Department's payroll for covered employees of \$329,478) for fiscal year ended June 30, 2009. As required by accounting standards, the amounts paid on behalf of the Wayne School Department by the State of Maine have been recorded as intergovernmental revenue and as an expenditure, MSRS on behalf payments. There is no contribution required by the School Department, except for federally funded teachers. For the year ended June 30, 2009, the School Department contributed \$5,673 for these federally funded employees. This cost is charged to the applicable grant.

The Maine State 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 State Retirement System, 46 State House Station, Augusta, Maine 04333 or by calling 1-800-451-9800.

Notes to Financial Statements - Continued

Town of Wayne, Maine

Note I - Risk Management

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

Based on the coverage provided by commercial insurance purchased, the Town is not aware of any material actual or potential claim liabilities, which should be recorded at June 30, 2009.

Note J - Commitments

The Town has entered into the following contracts: a contract for winter road sanding and snow removal with an independent contractor - one year remaining on the contract; a contract for winter plowing with an independent contractor - one year remains on the contract; and also a contract for clean-up, branch removal, mowing & trash removal with an independent contractor - one year remains on the contract.

<u>Contract Year</u>	<u>Consideration</u>
2009-2010	<u>\$ 148,579</u>

Note K - Subsequent Events

Management has made an evaluation of subsequent events up through and including the audit report date, which was the date the financial statements were available to be issued, and determined that any subsequent events that would require recognition or disclosure have been considered in the preparation of the financial statements.

Notes to Financial Statements - Continued

Town of Wayne, Maine

Note L - School Reorganization

Effective July 1, 2009 the Wayne School Department became part of Regional School Unit # 38. As of that date the Wayne School Department ceased to exist. The agreement requires each of the combining units to satisfy their existing financial obligations from all legally available funds, except as otherwise specified in the agreement. The balance remaining in the existing school administrative unit's accounts after the school administrative unit has satisfied existing financial obligations are to be transferred to the RSU, verified by audit and used to reduce the region member's contribution required by the agreement.

As part of the reorganization, the Wayne Elementary School building and land was deeded to RSU # 38 and personal property in the school became property of the RSU. The School Department's equity in the Town's cash account of approximately \$52,000 is being transferred to the RSU in twelve equal monthly payments as part of the monthly assessment for fiscal year ending June 30, 2010. In addition, RSU # 38 has assumed the liability for the photocopier lease. The agreement also specifies that RSU # 38 will pay the remainder of the teacher and other employee's contracts and related benefits beginning July 1, 2009 of approximately \$36,000. All employee contracts of the Wayne School Department were assumed by RSU # 38 as of the operational date of July 1, 2009.

The complete reorganization plan can be obtained at the RSU # 38 Superintendent's office located at 45 Millard Harrison Drive, Readfield, Maine 04355.

Independent Auditors' Report on Supplemental Information

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

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental information for the year ended June 30, 2009, is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Purdy Powers & Company
Professional Association

**Portland, Maine
February 9, 2010**

**Combining Balance Sheet
 Nonmajor Governmental Funds - Other Governmental Funds**

Town of Wayne, Maine

As of June 30, 2009

	<u>Special Revenue</u>	<u>Permanent Fund</u>	<u>Total Nonmajor Governmental Funds</u>
Assets			
Cash	\$ 73,595	\$ 62,920	\$ 136,515
Due from other funds	<u>73,311</u>	<u>500</u>	<u>73,811</u>
Total Assets	<u>\$ 146,906</u>	<u>\$ 63,420</u>	<u>\$ 210,326</u>
Liabilities and Fund Balances			
Liabilities			
Due to other funds	\$ -	\$ 450	\$ 450
Total Liabilities	-	450	450
Fund Balances			
Unreserved:			
Designated	<u>146,906</u>	<u>62,970</u>	<u>209,876</u>
Total Fund Balances	<u>146,906</u>	<u>62,970</u>	<u>209,876</u>
Total Liabilities and Fund Balances	<u>\$ 146,906</u>	<u>\$ 63,420</u>	<u>\$ 210,326</u>

See accompanying independent auditors' report on supplemental financial information.

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds - Other Governmental Funds**

Town of Wayne, Maine

For the Year Ended June 30, 2009

	<u>Special Revenue</u>	<u>Permanent Fund</u>	<u>Total Nonmajor Governmental Funds</u>
Revenues			
Contributions	\$ -	\$ 8,789	\$ 8,789
Interest	758	1,098	1,856
Miscellaneous	1,147	-	1,147
Net Revenues	<u>1,905</u>	<u>9,887</u>	<u>11,792</u>
Expenditures			
Current	95,866	17,028	112,894
Total Expenditures	<u>95,866</u>	<u>17,028</u>	<u>112,894</u>
Revenues Over (Under) Expenditures	(93,961)	(7,141)	(101,102)
Other Financing Sources (Uses)			
Operating transfers in	56,500	-	56,500
Operating transfers out	-	-	-
Total Other Financing Sources (Uses)	<u>56,500</u>	<u>-</u>	<u>56,500</u>
Revenues and Other Sources Over (Under) Expenditures and Other Uses	(37,461)	(7,141)	(44,602)
Fund balances at beginning of year	<u>184,367</u>	<u>70,111</u>	<u>254,478</u>
Fund Balances at End of Year	<u>\$ 146,906</u>	<u>\$ 62,970</u>	<u>\$ 209,876</u>

See accompanying independent auditors' report on supplemental financial information.

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Special Revenue Funds (1 of 2)**

Town of Wayne, Maine

For the Year Ended June 30, 2009

	Roads	Wayne Rescue	Salt Shed and Landfill	Land	Snowmobile	Footbridge Reconstruction	Pond Road Reconstruction	Cemetery Cleaning
Revenues								
Interest	\$ 720	\$ -	\$ -	\$ -	\$ 38	\$ -	\$ -	\$ -
Miscellaneous	-	200	-	-	947	-	-	-
Total Revenues	<u>720</u>	<u>200</u>	<u>-</u>	<u>-</u>	<u>985</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures								
	3,995	-	5	82	-	-	85,718	2,500
Revenues Over (Under) Expenditures	<u>(3,275)</u>	<u>200</u>	<u>(5)</u>	<u>(82)</u>	<u>985</u>	<u>-</u>	<u>(85,718)</u>	<u>(2,500)</u>
Other Financing Sources (Uses)								
Operating transfers in	-	-	-	2,500	-	1,500	50,000	2,500
Operating transfers out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,500</u>	<u>-</u>	<u>1,500</u>	<u>50,000</u>	<u>2,500</u>
Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>(3,275)</u>	<u>200</u>	<u>(5)</u>	<u>2,418</u>	<u>985</u>	<u>1,500</u>	<u>(35,718)</u>	<u>-</u>
Fund balances at beginning of year	68,125	-	4,402	13,174	4,247	5,331	35,718	1,800
Fund Balances at End of Year	<u>\$ 64,850</u>	<u>\$ 200</u>	<u>\$ 4,397</u>	<u>\$ 15,592</u>	<u>\$ 5,232</u>	<u>\$ 6,831</u>	<u>\$ -</u>	<u>\$ 1,800</u>

See accompanying independent auditors' report on supplemental financial information.

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Special Revenue Funds (2 of 2)**

Town of Wayne, Maine

For the Year Ended June 30, 2009

	Town House	Building Maintenance	Fire Station Addition	Municipal Building Engineering Analysis	Lord Road Paving	Hardscrabble Road Upgrade	Total
Revenues							
Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	758
Miscellaneous	-	-	-	-	-	-	1,147
Total Revenues	-	-	-	-	-	-	1,905
Expenditures							
	575	10	-	-	-	2,981	95,866
Revenues Over (Under) Expenditures	(575)	(10)	-	-	-	(2,981)	(93,961)
Other Financing Sources (Uses)							
Operating transfers in	-	-	-	-	-	-	56,500
Operating transfers out	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	56,500
Revenues and Other Sources Over (Under) Expenditures and Other Uses	(575)	(10)	-	-	-	(2,981)	(37,461)
Fund balances at beginning of year	12,000	133	1,592	800	33,145	3,900	184,367
Fund Balances at End of Year	\$ 11,425	\$ 123	\$ 1,592	\$ 800	\$ 33,145	\$ 919	\$ 146,906

See accompanying independent auditors' report on supplemental financial information.

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

Town of Wayne, Maine

As of June 30, 2009

	Playground	Jaworski Fund	Ladd Recreation	Ruth Lee	Ladd Special	Total
Assets						
Cash	\$ -	\$ 1,098	\$ 32,653	\$ 8,340	\$ 20,829	\$ 62,920
Due from other funds	-	-	-	-	500	500
Total Assets	\$ -	\$ 1,098	\$ 32,653	\$ 8,340	\$ 21,329	\$ 63,420
Liabilities and Fund Balances (Deficit)						
Liabilities						
Due to other funds	\$ 450	-	-	-	-	\$ 450
Total Liabilities	450	-	-	-	-	450
Fund Balances (Deficit)						
Unreserved - designated	(450)	1,098	32,653	8,340	21,329	62,970
Total Fund Balances (Deficit)	(450)	1,098	32,653	8,340	21,329	62,970
Total Liabilities and Fund Balances (Deficit)	\$ -	\$ 1,098	\$ 32,653	\$ 8,340	\$ 21,329	\$ 63,420

See accompanying independent auditors' report on supplemental financial information.

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

Town of Wayne, Maine

For the Year Ended June 30, 2009

	Playground	Jaworski Fund	Ladd Recreation	Ruth Lee	Ladd Special	Total
Revenues						
Contributions	\$ -	\$ -	\$ 8,289	\$ -	\$ 500	\$ 8,789
Interest	-	1	298	81	718	1,098
Total Revenues	-	1	8,587	81	1,218	9,887
Expenditures						
	-	-	17,028	-	-	17,028
Revenues Over (Under) Expenditures	-	1	(8,441)	81	1,218	(7,141)
Other Financing Sources (Uses)						
Operating transfers in	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Revenues and Other Sources Over (Under) Expenditures and Other Uses	-	1	(8,441)	81	1,218	(7,141)
Fund balances (deficit) at beginning of year	(450)	1,097	41,094	8,259	20,111	70,111
Fund Balances (Deficit) at End of Year	<u>\$ (450)</u>	<u>\$ 1,098</u>	<u>\$ 32,653</u>	<u>\$ 8,340</u>	<u>\$ 21,329</u>	<u>\$ 62,970</u>

See accompanying independent auditors' report on supplemental financial information.

Schedule of Valuation, Assessment and Collection of Taxes

Town of Wayne, Maine

For the Year Ended June 30, 2009

Valuation

Real estate		\$ 172,595,900
Personal property		<u>797,500</u>
	Total Valuation	<u><u>\$ 173,393,400</u></u>

Assessment

Valuation x Rate	\$173,393,400 x .01350	\$ 2,340,811
Supplemental taxes		<u>660</u>
	Total Assessment Charged to Collector	\$ 2,341,471

Collection and Credits

Cash collections	2,260,917	
Tax abatements	<u>1,713</u>	
	Total Collection and Credits	<u>2,262,630</u>
	2009 Taxes Receivable - June 30, 2009	<u><u>\$ 78,841</u></u>

See accompanying independent auditors' report on supplemental financial information.