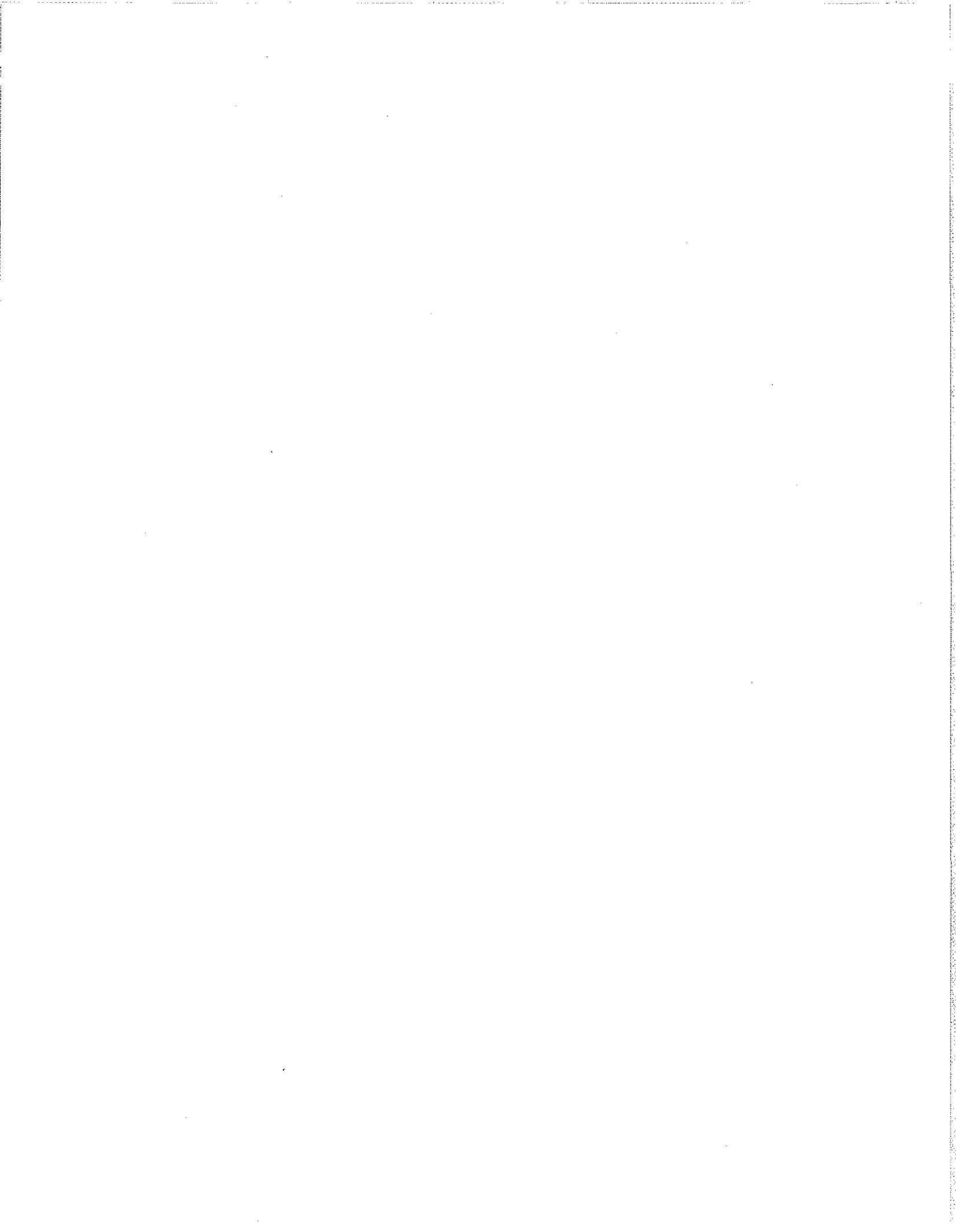


**TOWN OF YORK, MAINE**

**Annual Financial Report**

**For the Fiscal Year ended June 30, 2012**



**TOWN OF YORK, MAINE**  
**Annual Financial Report**  
**For the Year Ended June 30, 2012**

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Independent Auditor's Report

Board of Selectmen  
Town of York, Maine

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of York, Maine as of and for the year ended June 30, 2012, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town of York, Maine's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the 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 York, Maine as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, 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 a report dated February 7, 2013, on our consideration of the Town of York, Maine's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedule of funding progress-retiree healthcare plan, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

Board of Selectmen  
Town of York, Maine

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



February 7, 2013  
South Portland, Maine

**TOWN OF YORK, MAINE**  
**Management's Discussion and Analysis**  
**June 30, 2012**

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Our discussion and analysis of the Town of York, Maine's financial performance provides an overview of the Town's financial activities for the year ended June 30, 2012. Please read it in conjunction with the Town's financial statements, which begin on page 17.

**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 17 and 18) 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 19. 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**

Our analysis of the Town as a whole begins on page 17. One of the most important questions asked about the Town's finances is, "Is the Town as a whole, better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the Town as a whole and about its activities in a way that helps answer this question. These statements include *all* assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

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

In the Statement of Net Assets and the Statement of Activities, we divide the Town into two kinds of activities:

**Governmental activities** - Most of the Town's basic services are reported here, including the police, fire, general administration, roads, parks, and beaches. Property taxes, auto excise taxes, franchise fees, fines, parking revenues, state revenue sharing and state and federal grants finance most of these activities.

**Business-type activities** - The Town charges a fee to customers to help it cover all or most of the cost of certain services it provides. The Town's Recreation, Sohler Park, Senior Center, Mt. Agamenticus, Goodrich Park, Printing Enterprise and Police Outside Duty activities are reported here.

**REPORTING THE TOWN'S MOST SIGNIFICANT FUND FINANCIAL STATEMENTS**

Our analysis of the Town's major funds begins on page 19. The fund financial statements begin on page 19 and provide detailed information about the most significant funds - not the Town as a whole. Some funds are required to be established by State law and by bond covenants. However, the Board of Selectmen establishes many other funds to help it control and manage money for particular purposes.

**TOWN OF YORK, MAINE**  
**Management's Discussion and Analysis**  
**June 30, 2012**

**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 the reconciliations on page 21.

**Proprietary funds** - When the Town charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. In fact, the Town's enterprise fund is the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows.

**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, 2012, net assets changed as follows:

	Governmental Activities		Business-type Activities		Total Primary Government	
	2012	2011	2012	2011	2012	2011
Current & other assets	\$ 21,746,212	16,651,984	242,980	187,094	21,989,192	16,839,078
Capital assets	63,604,232	61,339,715	-	-	63,604,232	61,339,715
Total assets	<u>85,350,444</u>	<u>77,991,699</u>	<u>242,980</u>	<u>187,094</u>	<u>85,593,424</u>	<u>78,178,793</u>
Long-term debt outstanding	30,109,798	22,519,549	-	-	30,109,798	22,519,549
Other liabilities	4,145,911	4,183,727	41,781	23,203	4,187,692	4,206,930
Total liabilities	<u>34,255,709</u>	<u>26,703,276</u>	<u>41,781</u>	<u>23,203</u>	<u>34,297,490</u>	<u>26,726,479</u>
Net assets:						
Invested in:						
Capital assets	43,831,095	38,820,167	-	-	43,831,095	38,820,167
Restricted	1,649,195	487,069	-	-	1,649,195	487,069
Unrestricted	5,614,445	11,981,187	201,199	163,891	5,815,644	12,145,078
Total net assets	<u>\$ 51,094,735</u>	<u>51,288,423</u>	<u>201,199</u>	<u>163,891</u>	<u>51,295,934</u>	<u>51,452,314</u>

**TOWN OF YORK, MAINE**  
**Management's Discussion and Analysis**  
**June 30, 2012**

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These numbers reflect a decrease in net assets of .4% percent for governmental activities and almost 23% for business-type activities (see page 6 for a detailed explanation).

The Town issued bonds in the amount of \$9,124,421 in July, 2011 (see page 38 for details). At year-end, there were significant bond proceeds that had not yet been spent, with project completion timelines into the 2013 fiscal year.

**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	Charges for photocopies, maps, plumbing permits, shoreland permits, cable TV franchise fees, gas tax refund, reimbursements, clerk fees, a portion of parking meter and permit receipts, parking ticket receipts.
Public Safety	Mooring receipts, police reports, dispatch services agreement with Ogunquit, PSAP (Public Safety Answering Point) fees from other surrounding towns, COPS grants, other grants, dog license fees and an agreement with York Hospital to provide officers on a regular basis.
Public Works	Urban/Rural Initiative program, FEMA reimbursements, other state grants to improve certain street intersections.
Community Services	Recreation, General Assistance and Library.
Boards and Commissions	Shellfish licenses.
Education	Food service, grants, state subsidy.

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

**TOWN OF YORK, MAINE**  
**Management's Discussion and Analysis**  
**June 30, 2012**

**Net Expense**

Function/Program	Expenses		Revenues		Net Expense	
	2012	2011	2012	2011	2012	2011
General Government	\$ 3,663,323	2,546,093	983,699	628,297	(2,679,624)	(1,917,796)
Public Safety	6,406,157	6,129,135	1,107,796	535,013	(5,298,361)	(5,594,122)
Public Works	4,862,977	5,554,199	59,789	244,085	(4,803,188)	(5,310,114)
Public Works - federally funded projects	66,562	289,540	263,718	1,361,465	197,156	1,071,925
Community Services	1,064,162	895,365	61,900	14,528	(1,002,262)	(880,837)
Boards and Commissions	13,368	10,889	-	1,290	(13,368)	(9,599)
Education	27,157,221	26,001,316	2,910,278	2,922,387	(24,246,943)	(23,078,929)
Maine PERS on-behalf payments	2,038,129	2,228,488	2,038,129	2,228,488	-	-
County Tax	2,194,203	2,132,892	-	-	(2,194,203)	(2,132,892)
Abatements	27,625	28,907	-	-	(27,625)	(28,907)
Unclassified	-	406,576	-	422,504	-	15,928
Interest on Long-term Debt	368,110	608,415	-	-	(368,110)	(608,415)
<b>Total Governmental Activities</b>	<b>\$ 47,861,837</b>	<b>46,831,815</b>	<b>7,425,309</b>	<b>8,358,057</b>	<b>(40,436,528)</b>	<b>(38,473,758)</b>

The Net Expense is the financial burden that was placed on the taxpayers by each of these functions. Over \$7.42 million dollars worth of activity was paid by grants, user fees, parking tickets and meter revenues and fees other than taxes.

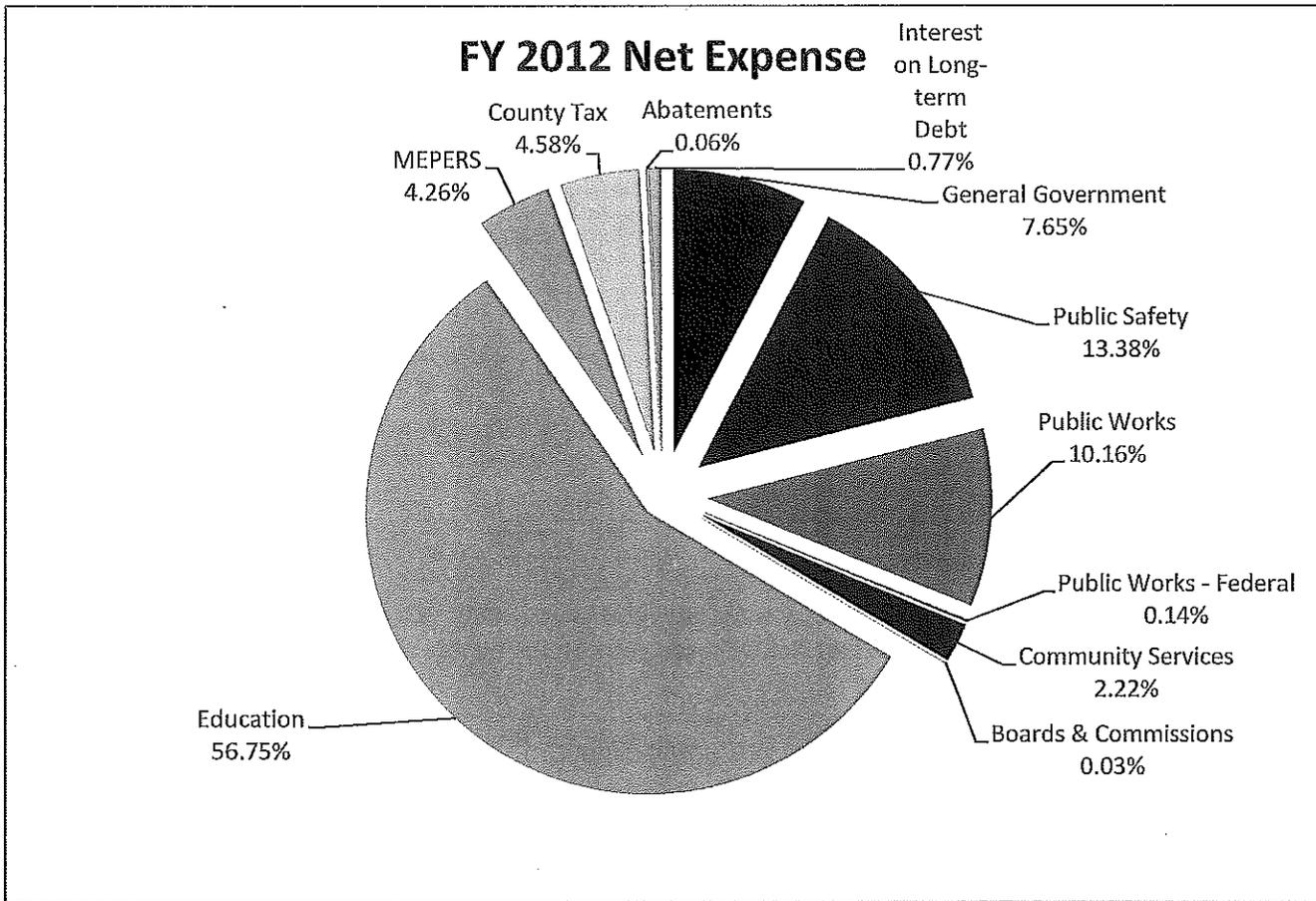
Public Works Federally Funded Project are projects include those related to FEMA events which resulted in damage to roads and culverts and a large grant for a flood mitigation grant at Short Sands Beach.

Public Safety revenues derive from dispatching services provided to neighboring towns as well as patrol and security services for the local hospital, COPS and other public safety grants. Rural roads subsidies make up the bulk of the Public Works revenues, in addition to reimbursements for some paving projects, mostly from the local water and sewer districts, as well as reimbursements for recycling materials.

General Government increased by \$761,828 due to wage, property insurance and health insurance increases along with the reclassification of unclassified expenditures into General Government. Education increased by \$1,168,014, County Taxes by \$61,311 while Interest on Long-term Debt decreased by \$240,305.

**TOWN OF YORK, MAINE**  
**Management's Discussion and Analysis**  
**June 30, 2012**

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Education's share of net expenses is still the largest percentage at 56.75%. Public Works and Public Safety represent the largest shares of non-education net expense.

In an effort to reduce the net expense to taxpayers, there has been a concerted effort to institute user fees as appropriate. To that end, impact fees were imposed years ago on residential dwelling units to help defray the debt service costs of new school buildings. \$108,720 in impact fees were collected by the Town and transferred to the school to offset costs. By ordinance, building permit fees are used to reduce taxpayer impact of the Community Development Department (Code, Planning and Geographic Information Services) to a great extent. Several full time positions in that department are funded by fees, saving the taxpayers almost \$300,825 this year, while delivering desired services in the area of inspections and GIS mapping and data collection.

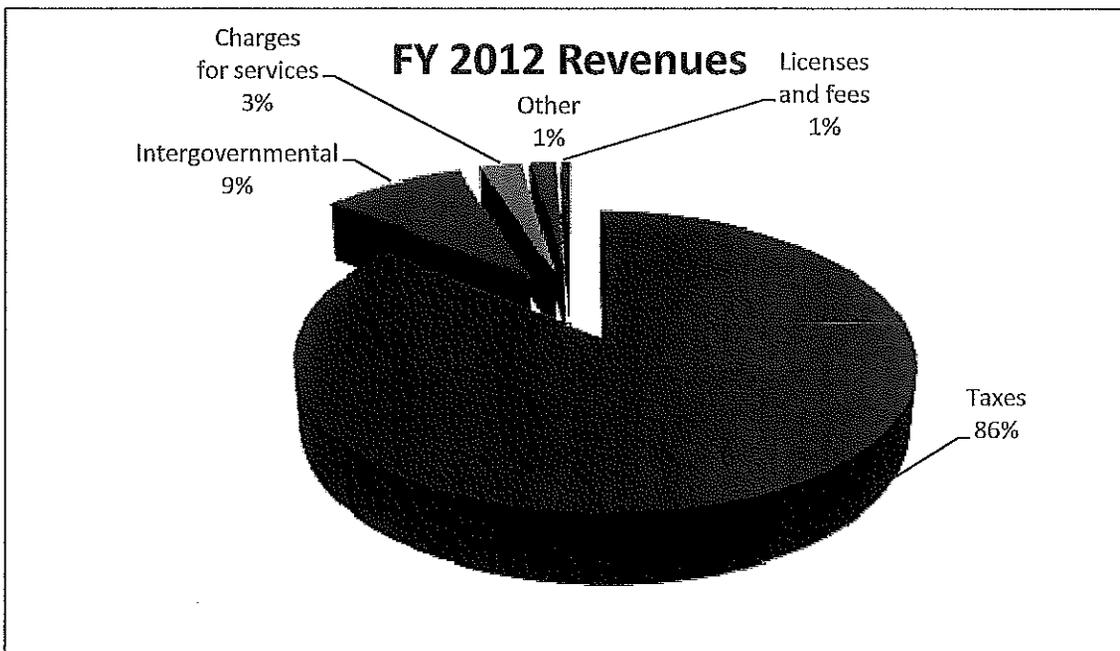
**TOWN OF YORK, MAINE**  
**Management's Discussion and Analysis**  
**June 30, 2012**

**THE TOWN'S FUNDS**

The following schedule presents a summary of General Fund revenues for the fiscal year ended June 30, 2012 with a comparison to 2011:

<i>Revenues:</i>	<i>FY 2012 Amount</i>	<i>Percent of Total</i>	<i>FY 2011 Amount</i>	<i>Percent of Total</i>
<i>Taxes</i>	\$ 38,803,457	85.99%	38,652,782	83.95%
<i>Intergovernmental</i>	2,052,158	4.55%	3,205,201	6.96%
<i>Intergovernmental on-behalf payments</i>	2,038,129	4.52%	2,228,488	4.84%
<i>Charges for services</i>	1,212,176	2.69%	954,625	2.07%
<i>Licenses and permits</i>	285,333	.62%	769,482	1.67%
<i>Other</i>	736,542	1.63%	235,646	.51%
<b><i>Total Revenues</i></b>	<b>\$ 45,127,795</b>	<b>100%</b>	<b>46,046,224</b>	<b>100.00%</b>

Revenues from all sources decreased 1.99% from the previous year. Excise tax collections remained flat from 2010 to 2011. In 2012, Excise increased .9%. Investment interest income continues to decline. Since fiscal year 2009, it has declined by 82%.



**TOWN OF YORK, MAINE**  
**Management's Discussion and Analysis**  
**June 30, 2012**

The following schedule presents a summary of expenditures for the fiscal year ended June 30, 2012:

<b>Expenditures:</b>	<b>FY 2012 Amount</b>	<b>Percent of Total</b>	<b>FY 2011 Amount</b>	<b>Percent of Total</b>
<i>General Government</i>	\$ 2,768,030	5.94%	2,622,562	5.62%
<i>Public Safety</i>	6,068,416	13.02%	6,016,415	12.89%
<i>Public Works</i>	3,496,278	7.50%	5,152,371	11.04%
<i>Public Works federally funded</i>	66,562	.14%	1,671,772	3.58%
<i>Community services</i>	1,078,686	2.31%	815,563	1.75%
<i>Boards and Commissions</i>	13,368	.03%	11,041	.02%
<i>Education</i>	26,309,234	56.41%	23,376,173	50.08%
<i>Maine PERS on-behalf</i>	2,038,129	4.37%	2,228,488	4.77%
<i>County Tax</i>	2,194,203	4.71%	2,132,892	4.57%
<i>Unclassified</i>	417,413	.90%	-	-
<i>Abatements</i>	27,625	.06%	28,907	.06%
<i>Capital Outlays</i>	923,732	1.98%	58,825	.13%
<i>Interest on Long-term Debt</i>	436,528	.94%	505,815	1.08%
<i>Principal Payment on Long-term Debt</i>	787,408	1.69%	2,055,144	4.41%
<b>Total Expenditures</b>	<b>\$ 46,625,612</b>	<b>100.00%</b>	<b>46,675,968</b>	<b>100.00%</b>

Overall expenditures decreased .1%. General Government increase is typical of inflation and personnel-related cost increases. Principal payment on Long-term Debt decrease is attributed to the School's debt being reclassified to Education. Public Works decrease is attributed to a mild winter and capital expenditures being reclassified to Capital Outlays.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

As revenues were falling short of expectations, all departments responded by reducing expenditures accordingly. The voters were very supportive of all operating budgets which, when presented to them for vote and approval, were very lean.

The taxpayers were very supportive of the Board of Selectmen's five-year capital plan, and approved all of the municipal and school projects put before them on the ballot for year one. The plan totaled \$9,124,421 and included \$6,460,539 Public Safety Building, \$1,626,882 Connector Road, \$137,000 Plow Truck and the refunding of 2001 bonds \$900,000. The Town's Standard and Poor's rating is AA+.

Pursuant to GASB 45, actuaries have calculated the Town's liability with respect to Other Postemployment Benefits. The Town offers limited postemployment benefits, including life insurance (for Maine State Retirees) and the privilege of remaining on the Town's health insurance plan for 102% of premiums. The Town does not fund this liability but rather is on a pay-as-you-go basis. This is the fourth year this liability appears on these statements.

Although a \$790,000 utilization of unassigned fund balance was approved by voters to reduce tax appropriations, only \$161,994 of funds authorized were used, leaving a budgetary fund balance of \$6,835,511 of which the Town's unassigned general fund balance equals \$1,914,816.

**TOWN OF YORK, MAINE**  
**Management's Discussion and Analysis**  
**June 30, 2012**

Due to the implementation of GASB Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions* in 2011, revenues and expenditures for certain funds historically reported in Special Revenues are now included as part of the General Fund. These balances are now carried forward and reported as part of Assigned Fund Balance. The Town will continue to segregate and earmark funds for specific purposes as noted in the creation of each fund. The only change is in the additional reporting required by this new standard.

Capital Outlay has increased by \$864,907. This is due to the fact that certain projects were reported in the Public Works expenditure line last year and were reported in the Capital Outlay expenditure line this year.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At June 30, 2012, the Town had \$63.6 million invested in capital assets including substantial funding for paving and construction of town roads. The usual additions included police vehicles and computer equipment. Other additions are listed below.

	Capital Assets	Accumulated Depreciation at June 30, 2012	Capital Assets Net of Depreciation
Land	\$ 10,656,342	-	10,656,342
Construction in Progress	1,534,289	-	1,534,289
Buildings & Improvements	38,925,176	17,058,342	21,866,834
Infrastructure	43,586,841	16,961,904	26,624,937
Equipment	3,092,731	2,204,166	888,565
Vehicles	6,760,296	4,727,031	2,033,265
<b>TOTALS</b>	<b>\$ 104,555,675</b>	<b>40,951,443</b>	<b>63,604,232</b>

This year's major additions included:

Long Sands Drainage	\$ 399,486
Mitchell Drainage	204,352
York Street Drainage	756,191
Short Sands Drainage	924,391
North Village Road	256,430
Bartlett Road	231,260
Construction in Progress:	
Public Safety Building	478,148
Connector Road	84,814
Honeywell Project (Education)	932,764

**TOWN OF YORK, MAINE**  
**Management's Discussion and Analysis**  
**June 30, 2012**

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**Debt**

At year-end, the Town had \$30,838,499 in outstanding debt representing a net increase of \$7,642,387:

	<b>Governmental Activities</b>	
	<u><b>2012</b></u>	<u><b>2011</b></u>
General obligation bonds	\$ 28,582,749	22,322,867
Loan payable	58,597	-
Capital Leases	1,468,452	196,682
Other post employment benefits	288,629	236,631
Accrued compensated absences	440,072	439,932
	<u><b>\$ 30,838,499</b></u>	<u><b>23,196,112</b></u>

In October 2011, there was an issuance in the amount of \$9,124,421. The projects included:

Public Safety Building	\$ 6,460,539
Connector Road	1,626,882
Plow Truck	137,000
Refunding of 2001 Bond	<u>900,000</u>
<b>Total debt issuance</b>	<u><b>\$ 9,124,421</b></u>

With the formation of a Capital Planning Committee, (which includes staff, board members and members of the Tax Task Force) and a Tax Task Force Committee (which is comprised of citizens), a five-year capital plan is revised annually as necessary and submitted to the Board of Selectmen for its approval and sent on to the voters at the Budget Referendum in May of each year. The Tax Task Force had formulated dollar and percentage limit suggestions based on what it felt the taxpayers could bear and the Capital Planning Committee tries to work within those guidelines. It has been established that the Town has focused on school buildings for the last twenty years and the municipal buildings are in need of attention. Projects on the five-year capital plan include Recreation/Community Center, York Village Fire Renovations, Auditorium, York High School Renovations, Long Sands Bathhouse, and Major Drainage along with road construction.

**Tax Increment Financing**

In a prior year, the voters approved an article that designates a portion of 'downtown' York Beach as a TIF district. The TIF provides funding for design, traffic studies and to fund public infrastructure improvements such as sidewalks and roadways within the boundaries of the TIF district. It is designed as a twenty-year program and could allocate significant resources to this area of Town known as York Beach. The first funds, in the amount of \$113,928 were made available with the May 2009 Budget Referendum. The major focus is on infrastructure in the Short Sands Beach area of York Beach where there are two other major projects in the works: a federal grant project to replace a large drainage system that runs under the beach square to the ocean and a locally funded project to further improve infrastructure while the road is open for the federal grant project. Due to the structure of the TIF, no new funds were allocated from the FY12 tax appropriations.

**TOWN OF YORK, MAINE**  
**Management's Discussion and Analysis**  
**June 30, 2012**

**Business-type Activities**

The Town operates a number of Enterprise Funds, designed to be mostly self-sustaining through user fees and grants. All funds are designed to maintain some activity and are not intended to amass large fund balances.

	Recreation	Mt. Agamenticus	Sohier Park	Goodrich Park	Outside Duty	Printing	Senior Center
Charges for Services	\$ 431,055	44,686	227,859	7,200	146,218	-	125,704
Donations	57,903	22,195	8,977	-	-	-	9,863
<b>Total Revenues</b>	<b>488,958</b>	<b>66,881</b>	<b>236,836</b>	<b>7,200</b>	<b>146,218</b>	<b>-</b>	<b>135,567</b>
Salaries and Benefits	244,577	26,200	47,980	-	114,409	-	5,660
Cost of Goods Sold	-	-	109,465	-	-	-	32,280
Contracts/Repairs	158,193	14,221	4,721	6,247	-	-	81,522
Supplies/Training	71,758	3,473	11,323	2,265	-	-	10,905
Utilities	-	3,481	949	-	-	-	263
<b>Total Operating Expenses</b>	<b>474,528</b>	<b>47,375</b>	<b>174,438</b>	<b>8,512</b>	<b>114,409</b>	<b>-</b>	<b>130,630</b>
Operating Income/(Loss)	14,430	19,506	62,398	(1,312)	31,809	-	4,937
Transfers Out	-	(12,198)	(50,000)	-	(32,262)	-	-
<b>Total Other Financing Sources</b>	<b>-</b>	<b>(12,198)</b>	<b>(50,000)</b>	<b>-</b>	<b>(32,262)</b>	<b>-</b>	<b>-</b>
Net Increase (Decrease)	14,430	7,308	12,398	(1,312)	(453)	-	4,937
Beg Net Assets	53,263	18,114	40,685	3,056	32,627	(872)	17,018
<b>Ending Net Assets (Deficit)</b>	<b>\$ 67,693</b>	<b>25,422</b>	<b>53,083</b>	<b>1,744</b>	<b>32,174</b>	<b>(872)</b>	<b>21,955</b>

**The Town's Enterprise Funds**

The **Recreation Enterprise** is funded primarily by user fees with a heavy participation by 'sponsors', local businesses who sponsor teams participating in the various programs. With the exception of the 1.5 full time positions that are funded by the General Fund, this program is self-sustaining with respect to all the other costs such as instructors, coaches, supplies, and transportation. It is the goal of the administration to make programs as affordable and accessible to as many citizens as are interested, made possible, in part by some generous donors who sponsor 'scholarships'. The Recreation Department offers programs for all ages – children through senior citizens, including soccer, tai chi, photography, dance and everything in between.

The **Mt. Agamenticus Enterprise** was established to maintain the summit of Mt. Agamenticus which includes a lodge and other viewing areas, trails and grounds. Revenues are generated through tower rentals, the rental of the apartment in the lodge and viewer fees.

**TOWN OF YORK, MAINE**  
**Management's Discussion and Analysis**  
**June 30, 2012**

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The **Sohier Park Enterprise** was established to maintain Sohier Park and the Cape Neddick Light Station viewable from the beaches (also known as the Nubble Lighthouse). The gift shop in the park sells trinkets and collectibles and generates sufficient revenue to maintain the park and make substantial repairs to the light station, the island and Sohier Park.

Net income from the Gift Shop receipts is transferred to a Sohier Park Maintenance Special Revenue fund which is responsible for the repairs and maintenance of the park and the Light Station. This important national landmark and nearby park are maintained with no taxpayer dollars except for capital improvements, which included a recent roof replacement for the lightkeeper's house.

Improved systems and focused management have resulted in substantial revenue increases, allowing for more funding of park improvements and maintenance. There are plans for expansion to the gift shop to provide for more retail space, as well as more restrooms for the park.

**The Grant House at Goodrich Park** is a wonderful community building restored by a volunteer group. It currently houses the Parks and Recreation offices and is used by community groups for meetings. The revenue from the upstairs apartment offsets some of the costs of maintaining the Grant House and Barn.

An account for **Outside Duty** was established to handle the demand for police and fire services outside the normal responsibilities. Outside entities such as the water and sewer districts might hire an officer to handle traffic around the job site. Billing rates are set to cover the costs of the officer, some administration of the program and the use of a cruiser or fire truck, if necessary. The revenues generated by administration and vehicle usage are transferred to the public safety accounts, to offset those expenses.

**Printing Enterprise** was set up to cover the cost of printing ordinances and revenues are credited to this account as copies of the ordinances are sold.

**Senior Center Enterprise** includes a Senior Transportation program which was established in 2004 in response to a need. There were significant fundraisers and donations early in the program to get it established. The taxpayers of York have generously funded a tax appropriation designed to cover a large part of the cost of the drivers' salaries and benefits. The user fees cover the cost of gas, oil, maintenance, repairs and insurance. The users of this program are being driven to doctors' appointments, therapies, shopping, and to the Senior Center and other activities. Unfortunately, it was not self-sustaining, it has been modified and Town funding has been eliminated. The other Senior Enterprise accounts include revenues and expenditures for user-funded trips and other activities.

#### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The economy as a whole continues to be a concern and a factor in budgeting and spending. York is not as susceptible to fluctuations as are some communities, but nevertheless, high oil prices and other economic factors have an impact on the Town's citizens. Balancing that concern with the need for major building and infrastructure improvements tasks the Town's management to be creative and frugal in its budgeting and proposals. For several years the Town's 'Circuit Breaker' program, which mimics the State's Property Tax and Rent Refund Program, aids those citizens that perhaps cannot absorb property tax increases. As a result of those two programs, some property owners pay no property taxes at all.

**TOWN OF YORK, MAINE**  
**Management's Discussion and Analysis**  
**June 30, 2012**

The Assessor continues to use his extensive resources to keep values within the 90-100% range as dictated by state statute. Waterfront property values continue to rise, while inland parcel values are flat or have declined somewhat. Tourism still continues to be a major industry in the Town of York. The FY2013 assessment, which represents values as of April 1, 2012, declined overall 1.51% compared to the prior year.

<b>Fiscal Year</b>	<b>Total Valuation</b>	<b>Valuation Increase/ (Decrease)</b>	<b>Total Tax Bills</b>	<b>Tax Bill Increase</b>	<b>Mil Rate</b>
2004	\$2,794,142,350	8.96%	\$27,103,181	3.11%	\$9.70
2005	\$2,805,191,350	.4%	\$24,545,424	-9.44%	\$ 8.75
2006	\$3,197,719,520	13.99%	\$27,052,707	10.21%	\$ 8.46
2007	\$3,465,999,200	8.39%	\$28,213,233	4.29%	\$ 8.14
2008	\$3,988,361,710	15.07%	\$32,305,703	14.51%	\$ 8.10
2009	\$4,082,626,820	2.36%	\$33,722,497	4.39%	\$ 8.26
2010	\$4,019,248,550	-1.55%	\$34,485,152	2.26%	\$8.58
2011	\$3,951,774,450	-1.68%	\$35,961,240	4.28%	\$9.10
2012	\$3,893,577,155	-1.47%	\$36,404,946	1.23%	\$9.35
2013	\$3,834,685,364	-1.51%	\$38,193,466	4.90%	\$9.96

York will see a fourth year of a mil rate increase in the amount of \$.61/\$1,000 assessed valuation for FY2013. Those closest to the water see that property valuation translates to larger tax bills, yet there are segments of the population for which tax bills decrease each year. From FY2004 to FY2013, total valuation has increased 37%, while total tax bills have only increased 41%, reflected in an increase in the mil rate from \$9.70 in 2004 to \$9.96 in 2013; a 3% increase.

**CONTACTING THE TOWN'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town Manager's Office at 186 York Street, York, Maine, or by phone at (207)363-1000.

## **BASIC FINANCIAL STATEMENTS**



**TOWN OF YORK, MAINE**  
**Statement of Net Assets**  
**June 30, 2012**

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 17,809,734	36,849	17,846,583
Receivables:			
Accounts	241,566	13,962	255,528
Intergovernmental	416,877	-	416,877
Taxes	1,508,198	-	1,508,198
Prepaid expenses	1,314,379	-	1,314,379
Amount held in escrow	353,626	-	353,626
Inventory	19,816	38,152	57,968
Restricted cash	236,033	-	236,033
Internal balances	(154,017)	154,017	-
Capital assets not being depreciated	12,190,631	-	12,190,631
Capital assets being depreciated, net	51,413,601	-	51,413,601
Total assets	85,350,444	242,980	85,593,424
<b>LIABILITIES</b>			
Accounts payable and other liabilities	1,143,334	26,895	1,170,229
Accrued payroll	1,784,301	14,886	1,799,187
Escrow payable	236,033	-	236,033
Accrued interest payable	155,998	-	155,998
Unearned revenue	97,544	-	97,544
Other post employment benefits	288,629	-	288,629
Accrued compensated absences	440,072	-	440,072
Noncurrent liabilities:			
Due within one year	2,537,606	-	2,537,606
Due in more than one year	27,572,192	-	27,572,192
Total liabilities	34,255,709	41,781	34,297,490
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	43,831,095	-	43,831,095
Restricted for:			
Permanent fund principal - nonexpendable	20,530	-	20,530
Permanent fund earnings - expendable	21	-	21
Education	1,258,639	-	1,258,639
Grants	370,005	-	370,005
Unrestricted	5,614,445	201,199	5,815,644
Total net assets	\$ 51,094,735	201,199	51,295,934

*See accompanying notes to financial statements.*

**TOWN OF YORK, MAINE**  
**Statement of Activities**  
**For the year ended June 30, 2012**

Functions/programs	Expenses	Program Revenues			Net (expense) revenue and changes in net assets		
		Charges for services	Operating grants and contributions	Capital grants and contributions	Primary Government		Total
					Governmental activities	Business-type activities	
<b>Primary government:</b>							
<b>Governmental activities:</b>							
General government	\$ 7,372,862	734,062	242,770	-	(6,396,030)	-	(6,396,030)
Public safety	6,406,157	909,655	198,141	-	(5,298,361)	-	(5,298,361)
Public works	4,929,539	59,789	-	263,718	(4,606,032)	-	(4,606,032)
Parks and recreation	1,064,162	275	61,625	-	(1,002,262)	-	(1,002,262)
Public assistance	113,568	-	6,867	-	(106,701)	-	(106,701)
Education and libraries	27,607,439	717,560	4,230,847	-	(22,659,032)	-	(22,659,032)
Interest on debt	368,110	-	-	-	(368,110)	-	(368,110)
<b>Total governmental activities</b>	<b>47,861,837</b>	<b>2,421,341</b>	<b>4,740,250</b>	<b>263,718</b>	<b>(40,436,528)</b>	<b>-</b>	<b>(40,436,528)</b>
<b>Business-type activities:</b>							
Recreation	474,528	488,958	-	-	-	14,430	14,430
Mt. Agamenticus	47,375	44,686	22,195	-	-	19,506	19,506
Sohier Park	174,438	227,844	8,977	-	-	62,383	62,383
Outside Duty	114,409	146,218	-	-	-	31,809	31,809
Goodrich Park	8,512	7,200	-	-	-	(1,312)	(1,312)
Senior Center	130,630	133,692	1,875	-	-	4,937	4,937
<b>Total business-type activities</b>	<b>949,892</b>	<b>1,048,598</b>	<b>33,047</b>	<b>-</b>	<b>-</b>	<b>131,753</b>	<b>131,753</b>
<b>Total primary government</b>	<b>\$ 48,811,729</b>	<b>3,469,939</b>	<b>4,773,297</b>	<b>263,718</b>	<b>(40,436,528)</b>	<b>131,753</b>	<b>(40,304,775)</b>
<b>General revenues:</b>							
Property taxes, levied for general purposes					\$ 36,453,733	-	36,453,733
Motor vehicle excise taxes					2,540,110	-	2,540,110
<b>Grants and contributions not restricted to specific programs:</b>							
Homestead exemption					125,243	-	125,243
BETE reimbursements					22,755	-	22,755
State Revenue Sharing					505,814	-	505,814
Unrestricted investment earnings					225,967	15	225,982
Sale of property					171,072	-	171,072
Miscellaneous revenues					103,686	-	103,686
Transfers					94,460	(94,460)	-
<b>Total general revenues and transfers</b>					<b>40,242,840</b>	<b>(94,445)</b>	<b>40,148,395</b>
<b>Change in net assets</b>					<b>(193,688)</b>	<b>37,308</b>	<b>(156,380)</b>
<b>Net assets - beginning, restated</b>					<b>51,288,423</b>	<b>163,891</b>	<b>51,452,314</b>
<b>Net assets - ending</b>					<b>\$ 51,094,735</b>	<b>201,199</b>	<b>51,295,934</b>

*See accompanying notes to financial statements.*

**TOWN OF YORK, MAINE**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2012**

	General	Public Safety Building Capital Project	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 14,687,689	-	3,122,045	17,809,734
Receivables:				
Accounts	241,566	-	-	241,566
Intergovernmental	3,785	-	413,092	416,877
Taxes	1,508,198	-	-	1,508,198
Prepaid expenditures	1,314,379	-	-	1,314,379
Amount held in escrow	353,626	-	-	353,626
Inventory	-	-	19,816	19,816
Restricted cash	236,033	-	-	236,033
Interfund loans receivable	-	6,002,897	2,335,917	8,338,814
<b>Total assets</b>	<b>\$ 18,345,276</b>	<b>6,002,897</b>	<b>5,890,870</b>	<b>30,239,043</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	953,442	5,412	108,282	1,067,136
Accrued payroll	1,733,043	-	51,258	1,784,301
Other liabilities	76,198	-	-	76,198
Escrow payable	236,033	-	-	236,033
Deferred revenue	1,087,930	-	-	1,087,930
Interfund loans payable	7,423,119	-	1,069,712	8,492,831
<b>Total liabilities</b>	<b>11,509,765</b>	<b>5,412</b>	<b>1,229,252</b>	<b>12,744,429</b>
Fund balances (deficits):				
Nonspendable	1,668,005	-	40,346	1,708,351
Restricted	1,258,639	-	370,026	1,628,665
Committed	-	5,997,485	4,963,477	10,960,962
Assigned	1,994,051	-	-	1,994,051
Unassigned	1,914,816	-	(712,231)	1,202,585
<b>Total fund balances</b>	<b>6,835,511</b>	<b>5,997,485</b>	<b>4,661,618</b>	<b>17,494,614</b>
<b>Total liabilities and fund balances</b>	<b>\$ 18,345,276</b>	<b>6,002,897</b>	<b>5,890,870</b>	

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.	63,604,232
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	990,386
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported in the funds:	
Bonds and loans payable	(28,641,346)
Capital leases	(1,468,452)
Accrued interest	(155,998)
Accrued compensated absences	(440,072)
Other post employment benefits	(288,629)
	(30,994,497)

**Net assets of governmental activities** **\$ 51,094,735**

*See accompanying notes to financial statements.*

**TOWN OF YORK, MAINE**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the year ended June 30, 2012**

	General	Public Safety Building Capital Project	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Taxes	\$ 38,803,457	-	-	38,803,457
Licenses and permits	285,333	-	-	285,333
Intergovernmental	4,090,287	-	1,543,575	5,633,862
Charges for services	1,206,557	-	653,152	1,859,709
Donations	5,619	-	16,569	22,188
Interest income	216,750	1,124	8,093	225,967
Other	519,792	-	32,995	552,787
<b>Total revenues</b>	<b>45,127,795</b>	<b>1,124</b>	<b>2,254,384</b>	<b>47,383,303</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	2,207,485	-	-	2,207,485
Public safety	6,068,416	-	-	6,068,416
Public works	3,562,840	-	-	3,562,840
Parks and recreation	1,078,686	-	-	1,078,686
Public assistance	113,568	-	-	113,568
Library	450,218	-	-	450,218
Education	26,309,234	-	-	26,309,234
County tax	2,194,203	-	-	2,194,203
MEPERs on behalf payments	2,038,129	-	-	2,038,129
Unclassified	417,413	-	2,324,557	2,741,970
Capital outlay	923,732	454,308	2,791,099	4,169,139
<b>Debt service:</b>				
Bond issuance costs	37,752	-	18,075	55,827
Principal	787,408	-	900,000	1,687,408
Interest	436,528	-	-	436,528
<b>Total expenditures</b>	<b>46,625,612</b>	<b>454,308</b>	<b>6,033,731</b>	<b>53,113,651</b>
<b>Deficiency of revenues under expenditures</b>	<b>(1,497,817)</b>	<b>(453,184)</b>	<b>(3,779,347)</b>	<b>(5,730,348)</b>
<b>Other financing sources (uses):</b>				
Bond proceeds	-	6,460,539	2,663,882	9,124,421
Premium on bond issuance	-	-	18,075	18,075
Loan proceeds	-	-	100,000	100,000
Lease proceeds	1,322,186	-	-	1,322,186
Transfers in	152,597	-	185,653	338,250
Transfers out	(173,455)	-	(70,335)	(243,790)
<b>Total other financing sources</b>	<b>1,301,328</b>	<b>6,460,539</b>	<b>2,897,275</b>	<b>10,659,142</b>
<b>Net change in fund balances</b>	<b>(196,489)</b>	<b>6,007,355</b>	<b>(882,072)</b>	<b>4,928,794</b>
<b>Fund balances (deficits), beginning of year, restated</b>	<b>7,032,000</b>	<b>(9,870)</b>	<b>5,543,690</b>	<b>12,565,820</b>
<b>Fund balances, end of year</b>	<b>\$ 6,835,511</b>	<b>5,997,485</b>	<b>4,661,618</b>	<b>17,494,614</b>

*See accompanying notes to financial statements.*

**TOWN OF YORK, 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, 2012**

Net change in fund balances - total governmental funds (from Statement 4)	\$	4,928,794
<p>Amounts reported for governmental activities in the statement of activities (Statement 2) are different because:</p>		
<p>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 outlays (\$5,091,825) exceeded depreciation expense (\$2,827,308).</p>		2,264,517
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This is the change in deferred revenues.</p>		190,386
<p>Expenses in the statement of activities that do not consume current financial resources are not reported as expenses in the funds. This is the change in accrued compensated absences (\$140), accrued interest (\$65,002) and other post employment benefits (\$51,998).</p>		12,864
<p>The issuance of capital leases provide current financial resources to governmental funds, but capital leases increases long-term liabilities in the statement of net assets. Repayment of lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which lease proceeds (\$1,322,186) exceeded principal payments (\$50,416).</p>		(1,271,770)
<p>The bond and loan issuances provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond and loan principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which bond and loan proceeds (\$9,224,421) exceeded principal payments (\$2,905,942).</p>		(6,318,479)
<p><b>Change in net assets of governmental activities (see Statement 2)</b></p>	<b>\$</b>	<b>(193,688)</b>

*See accompanying notes to financial statements.*

**TOWN OF YORK, MAINE**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**General Fund**  
**For the year ended June 30, 2012**

	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 39,156,223	39,156,223	38,803,457	(352,766)
Licenses and permits	252,630	252,630	271,021	18,391
Intergovernmental	2,202,389	2,202,389	2,052,158	(150,231)
Charges for services	1,269,318	1,269,318	1,202,060	(67,258)
Other	486,762	486,762	722,171	235,409
Total revenues	43,367,322	43,367,322	43,050,867	(316,455)
<b>Expenditures:</b>				
Current:				
General government	2,283,666	2,283,666	2,207,485	76,181
Public safety	5,864,751	5,873,406	6,068,416	(195,010)
Public works	3,844,250	3,844,250	3,562,840	281,410
Parks and recreation	1,109,709	1,109,709	1,078,686	31,023
Public assistance	106,401	121,701	104,800	16,901
Library	450,218	450,218	450,218	-
Education	25,833,171	25,833,171	24,987,048	846,123
County tax	2,180,668	2,180,668	2,194,203	(13,535)
Unclassified	554,836	590,458	378,061	212,397
Capital outlay	574,100	1,581,643	850,042	731,601
Debt service	1,340,252	1,354,988	1,261,688	93,300
Total expenditures	44,142,022	45,223,878	43,143,487	2,080,391
Deficiency of revenues under expenditures	(774,700)	(1,856,556)	(92,620)	1,763,936
<b>Other financing sources (uses):</b>				
Use of fund balance	790,000	790,000	-	(790,000)
Carryforward balances	-	1,081,856	-	(1,081,856)
Appropriations for reserve accounts	-	-	1,484	1,484
Transfer to reserve accounts	(15,300)	(15,300)	(50,000)	(34,700)
Transfers in	-	-	152,597	152,597
Transfers out	-	-	(173,455)	(173,455)
Total other financing sources (uses)	774,700	1,856,556	(69,374)	(1,925,930)
Net change in fund balance	-	-	(161,994)	(161,994)
Fund balance, beginning of year, budgetary basis			6,454,475	
Fund balance, end of year-budgetary basis			6,292,481	
Amounts held in reserves			543,030	
<b>Fund balance, end of year-GAAP basis</b>	<b>\$</b>		<b>6,835,511</b>	

*See accompanying notes to financial statements.*

**TOWN OF YORK, MAINE**  
**Statement of Net Assets**  
**Proprietary Funds**  
**June 30, 2012**

<b>Business-type Activities - Enterprise Funds</b>		<b>Nonmajor Enterprise Funds</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$	36,849
Accounts receivable		13,962
Inventory		38,152
Interfund loan receivable		169,653
Total assets		258,616
<b>LIABILITIES</b>		
Accounts payable		26,895
Accrued payroll		14,886
Interfund loans payable		15,636
Total liabilities		57,417
<b>NET ASSETS</b>		
Unrestricted		201,199
Total net assets	\$	201,199

*See accompanying notes to financial statements.*

**TOWN OF YORK, MAINE**  
**Statement of Revenues, Expenses and Changes in Net Assets**  
**Proprietary Funds**  
**For the year ended June 30, 2012**

<b>Business-type Activities - Enterprise Funds</b>		<b>Nonmajor Enterprise Funds</b>
<b>Operating revenues:</b>		
User fees	\$	703,845
Sponsorships/memberships		65,891
Gift shop sales		227,034
Rental income		51,828
Donations		33,047
<b>Total operating revenues</b>		<b>1,081,645</b>
<b>Operating expenses:</b>		
Cost of goods sold		141,745
Salaries and benefits		438,826
Training, meetings, and travel		9,240
Maintenance		14,789
Office expenses		17,497
Supplies		64,895
Contracts		250,115
Utilities		4,693
Fuel		2,929
Other		5,163
<b>Total operating expenses</b>		<b>949,892</b>
<b>Operating income</b>		<b>131,753</b>
<b>Nonoperating revenue:</b>		
Interest income		15
<b>Total nonoperating revenue</b>		<b>15</b>
Income before transfers		131,768
Transfers out		(94,460)
Change in net assets		37,308
Total net assets, beginning of year		163,891
<b>Total net assets, end of year</b>		<b>\$ 201,199</b>

*See accompanying notes to financial statements.*

**TOWN OF YORK, MAINE**  
**Statement of Cash Flows - Proprietary Funds**  
**For the year ended June 30, 2012**

<b>Business-type Activities - Enterprise Funds</b>		<b>Nonmajor Enterprise Funds</b>
Cash flows from operating activities:		
Receipts from customers and users	\$	931,315
Payments to suppliers		(505,285)
Payments to employees		(426,029)
Net cash provided by operating activities		1
Cash flows from investing activities:		
Investment income		15
Net cash provided by investing activities		15
Increase in cash		16
Cash, beginning of year		36,833
<b>Cash, end of year</b>		<b>\$ 36,849</b>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$	131,753
Adjustments to reconcile operating income to net cash provided by operating activities:		
(Increase) decrease in operating assets:		
Accounts receivable		13,352
Inventory		21,315
Interfund receivables		(184,997)
Increase (decrease) in operating liabilities:		
Accounts payable		5,781
Accrued payroll		12,797
Net cash provided by operating activities		1
Non-cash transactions:		
Interfund transfers		94,460

*See accompanying notes to financial statements.*

**TOWN OF YORK, MAINE**  
**Statement of Fiduciary Net Assets**  
**Fiduciary Funds**  
**June 30, 2012**

		Private- purpose Trust Fund	Agency Funds	Total
<b>ASSETS</b>				
Cash and cash equivalents	\$	469	89,919	90,388
Total assets		469	89,919	90,388
<b>LIABILITIES</b>				
Held for student groups		-	89,919	89,919
Total liabilities		-	89,919	89,919
<b>NET ASSETS</b>				
Held in trust	\$	469	-	469

*See accompanying notes to financial statements.*

**TOWN OF YORK, MAINE**  
**Statement of Changes in Fiduciary Net Assets**  
**Fiduciary Funds**  
**For the year ended June 30, 2012**

	<b>Private- purpose Trust Fund</b>
<b>Additions:</b>	
Interest	\$ 19
Total additions	19
<b>Deductions:</b>	
Scholarships awarded	-
Total deductions	-
Change in net assets	19
Net assets, beginning of year	450
<b>Net assets, end of year</b>	<b>\$ 469</b>

*See accompanying notes to financial statements.*

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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The accounting policies of the Town of York 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 by accounting principles generally accepted in the United States of America. The criterion used 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, there are no potential component units that should be included as part of this reporting entity.

**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 non-fiduciary 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 is 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.

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

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

Those revenues susceptible to accrual are property taxes, interest, and charges for services. Other receipts and taxes become measurable and available when cash is received by the Town and are recognized as revenue at that time.

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

The Town reports the following major governmental 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.

The Public Safety Building Capital Project Fund accounts for the bond proceeds and related capital expenditures for the construction of the public safety building.

Additionally, the Town reports the following Fiduciary Fund types:

Private-purpose Trust Funds are used to report the activity for bequests left for charitable payments of scholarship awards. These assets are held by the Town in a trustee capacity, whereby the original bequest is preserved as nonexpendable and the accumulated interest earnings are available to provide for educational awards.

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.

Fiduciary Funds use an economic resources measurement focus.

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.

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

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

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Proprietary funds distinguish operating revenues and expenses from non-operating 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, and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**Assets, Liabilities, and Equity**

**Cash and Cash Equivalents** - Cash and cash equivalents are considered to be cash on hand, demand deposits and time deposits. Investments are stated at fair value. For statement of cash flow purposes, the Town considers cash and cash equivalents to be demand deposits, certificates of deposit with maturities of less than three months, and money market mutual funds.

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

**Interfund Loans Receivable/Payable** - Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as interfund loans or as interfund advances (i.e. the noncurrent portion of interfund loans). Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

**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 \$2,500 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.

Property, plant, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Land improvements	15-20 years
Buildings and building improvements	20-50 years
Equipment	3-15 years
Vehicles	3-15 years
Infrastructure	5-60 years

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

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**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 are accrued ratably over the year. Regular part-time employees receive vacation and sick leave on a pro-rated basis. Accumulated vacation and sick time has been recorded as a liability in the government-wide statements.

**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 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.

**Fund Equity** - For the fiscal year ended June 30, 2012, the Town is in compliance with GASB Statement No. 54, which establishes new categories for reporting fund balance and revises the definitions for governmental fund types. Governmental Fund fund balance is reported in five classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which those funds can be spent. The five classifications of fund balance for the Governmental Funds are as follows:

- *Nonspendable* – resources which cannot be spent because they are either a) not in spendable form or; b) legally or contractually required to be maintained intact.
- *Restricted* – resources with constraints placed on the use of resources which are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or; b) imposed by law through constitutional provisions or enabling legislation.
- *Committed* – resources which are subject to limitations the government imposes on itself at its highest level of decision making authority, and that remain binding unless removed in the same manner.
- *Assigned* – resources that are constrained by the government’s intent to be used for specific purposes, but are neither restricted nor committed.
- *Unassigned* – resources which have not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount.

The Town voters have the responsibility for committing fund balance amounts by vote and likewise would be required to modify or rescind those commitments by a similar vote. For assigned fund balance amounts, the Town Manager has the authority to assign unspent budgeted amounts to specific purposes in the General Fund at year end. The Board of Selectmen approves the assigned amounts either before or after year end.

**Interfund Transactions** - Interfund services provided and used 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.

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

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**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.

**Net Assets** - The net assets amount represents 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, 2012:

	Governmental activities
Capital assets	\$ 104,555,675
Accumulated depreciation	(40,951,443)
Unspent bond proceeds	10,336,661
Bonds and notes payable	(28,641,346)
Capital leases	(1,468,452)
<b><u>Total invested in capital assets net of related debt</u></b>	<b><u>\$ 43,831,095</u></b>

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**STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

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**A. Budgetary Information**

The Town utilizes a formal budgetary accounting system to control revenues and expenditures. Budgets are established in accordance with the various laws which govern the Town's operations. For each of the funds for which a formal budget is adopted, the same basis of accounting is used to reflect actual revenues and expenditures recognized on the basis of accounting principles generally accepted in the United States of America.

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 Department. Generally, all unexpended budgetary accounts lapse at the close of the fiscal year. The Town Manager is authorized to transfer budgeted amounts within and among departments; however, any revisions that alter the total expenditures must be approved by the Board of Selectmen. Encumbrance accounting is not employed by the Town. The budgeted financial statements represented in this report reflect the final budget authorization, including all amendments.

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, CONTINUED**

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**B. Excess of Expenditures Over Appropriations**

For the year ended June 30, 2012, the following General Fund expenditures exceeded appropriations in the following departments:

Finance	\$ 11,298
Assessing	3,942
Police department	141,103
Communications	30,665
Animal control	2,342
FEMA grants	57,907
Cable TV	4,678
County tax	13,535

These over expenditures lapsed to fund balance at year end.

At June 30, 2012, the following funds had deficit fund balances/net assets:

Special Revenue Funds:	
Maine Historic Preservation	\$ 2,700
School Lunch	140,199
Mt. A Landscape	4,980
Trails	2,986
Capital Project Funds:	
Town Hall renovations	90,610
Short Sands drainage	412,058
Long Sands	9,330
Ridge/Old Post	2,110
York Beach infrastructure	26,398
North Village	1,044
Enterprise Funds:	
Printing	872

These fund deficits will be covered by future revenue sources.

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**CASH AND INVESTMENTS**

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**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's policy is to have its deposits covered by F.D.I.C. insurance or by additional insurance purchased on behalf of the Town by the respective banking institution.

As of June 30, 2012, the Town reported deposits of \$17,936,971 with a bank balance of \$18,059,418. Of the Town's bank balances of \$18,059,418, \$17,592,843 was covered by the F.D.I.C or by additional insurance purchased on behalf of the Town by the respective banking institutions and the remaining balance of \$466,575 was exposed to custodial credit risk.

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

**CASH AND INVESTMENTS, CONTINUED**

Deposits have been reported as follows:

Reported in governmental funds	\$ 17,809,734
Reported in fiduciary funds	90,388
Reported in proprietary funds	36,849
<b>Total deposits</b>	<b>\$ 17,936,971</b>

**PROPERTY TAX**

The Town's property tax is levied on the assessed value listed as of the prior April 1 for all real and taxable personal property located in the Town. Assessed values are periodically established by the Assessor at 100% of the assumed market value. Each property must be reviewed no less than once every four years.

Property taxes were levied August 16, 2011 on the assessed values of real property as of April 1, 2011. Taxes were due September 30, 2011 and February 3, 2012. This assessed value of \$3,893,767,170 was 100% of the estimated market value and 96.4% of the 2012 state valuation of \$4,040,700,000.

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 \$76,908 for the year ended June 30, 2012.

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

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.

The following summarizes the period ended June 30, 2012 levy:

	<u>2012</u>
Valuation:	
Land	\$ 1,900,352,500
Buildings	1,970,680,900
Personal property	22,733,700
<b>Total assessed valuation</b>	<b>3,893,767,100</b>
Assessed value	3,893,767,170
Tax rate (per \$1,000)	9.35
Commitment	36,406,723
Supplemental taxes assessed	31,954
	36,438,677
Less:	
Collections and abatements	35,457,271
<b>Receivable at June 30</b>	<b>\$ 981,406</b>
Due date(s)	9/30/11 2/3/12
Interest rate charged on delinquent taxes	7.00%
Collection rate	97.3%

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

**CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2012 was as follows:

	Balance June 30, <u>2011</u>	<u>Increases</u>	<u>Decreases</u>	Balance June 30, <u>2012</u>
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Construction in progress	\$ -	1,534,289	-	1,534,289
Land	10,656,342	-	-	10,656,342
<b>Total capital assets, not being depreciated</b>	<b>10,656,342</b>	<b>1,534,289</b>	<b>-</b>	<b>12,190,631</b>
Capital assets, being depreciated:				
Buildings and building improvements	38,920,726	4,450	-	38,925,176
Equipment	2,981,141	119,764	-	3,092,731
Vehicles	6,637,565	122,731	8,174	6,760,296
Infrastructure	40,276,250	3,310,591	-	43,586,841
<b>Total capital assets being depreciated</b>	<b>88,815,682</b>	<b>3,557,536</b>	<b>8,174</b>	<b>92,365,044</b>
Less accumulated depreciation for:				
Buildings and building improvements	16,080,672	977,670	-	17,058,342
Equipment	2,007,834	204,506	8,174	2,204,166
Vehicles	4,260,144	466,887	-	4,727,031
Infrastructure	15,783,659	1,178,245	-	16,961,904
<b>Total accumulated depreciation</b>	<b>38,132,309</b>	<b>2,827,308</b>	<b>8,174</b>	<b>40,951,443</b>
<b>Total capital assets being depreciated, net</b>	<b>50,683,373</b>	<b>730,228</b>	<b>-</b>	<b>51,413,601</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 61,339,715</b>	<b>2,264,517</b>	<b>-</b>	<b>63,604,232</b>

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

<b>Governmental activities:</b>	
General government	\$ 122,236
Public safety	344,698
Public works, including depreciation of general infrastructure assets	1,360,466
Education	999,908
<b>Total depreciation expense – governmental activities</b>	<b>\$ 2,827,308</b>

**INTERFUND LOAN BALANCES**

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. Individual interfund loan receivable and payable balances at the year ended June 30, 2012 were as follows:

	– Interfund <u>Receivables</u>	Interfund <u>payables</u>
General Fund	\$ -	7,423,119
Public Safety Building Capital Project	6,002,897	-

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**INTERFUND LOAN BALANCES, CONTINUED**

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Other Governmental Funds:

Special revenue funds:

Beach reserve	\$ 99,274	-
Safe routes grant	500	-
FEMA Irene grant	15,703	-
Emergency planning grants	-	53,262
ATV grant	-	6,000
Smart policing grant	1,957	-
HBB	2,919	-
Harbor dredge	62,982	-
Harbor/wharf	72,701	-
KSB challenge	7,426	-
Impact fees	-	16,048
Maine historic preservation	-	2,700
MMA wellness	136	-
Mt. Agamenticus landscape	-	4,980
School special revenues	22,016	-
School lunch	-	198,285
York Beach TIF	43,838	-
Trails	-	966
Conservation coordinator	3,396	-
Performance accounts	161,618	-
Total Special Revenue Funds	494,466	282,241

Nonmajor capital project funds:

Mitchell/Airport Drive	-	161,214
York/Raydon	-	33,548
Roaring rock	-	16,930
Highland farms	-	1,554
Town hall renovations	-	90,610
Energy efficiency	96,932	-
Short sands drainage	-	364,101
Long sands	-	747
Town docks	-	13,095
Town hall improvements	90,610	-
Ridge/Old Post	-	72,525
York Beach infrastructure	-	26,398
North village	-	1,044
Plow truck	-	2,550
Connector road	1,544,950	-
FY 2012 plow truck	73,706	-
School projects	35,253	-
Total Nonmajor Capital Project Funds	1,841,451	784,316

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

**INTERFUND LOAN BALANCES, CONTINUED**

Permanent funds:		
Clark Emerson trust	\$ -	3,155
<b>Total Permanent Funds</b>	<b>-</b>	<b>3,155</b>
<b>Total Other Governmental Funds</b>	<b>2,335,917</b>	<b>1,069,712</b>
Proprietary funds:		
Recreation	95,089	-
Mt. Agamenticus	26,635	-
Sohier Park	-	14,764
Outside duty	19,031	-
Goodrich Park	1,901	-
Printing	-	872
Senior Center	26,997	-
<b>Total Proprietary Funds</b>	<b>169,653</b>	<b>15,636</b>
<b>Totals</b>	<b>\$ 8,508,467</b>	<b>8,508,467</b>

**INTERFUND TRANSFERS**

Interfund transfers consist of budgeted transfers to and from other funds to fund certain activities accounted for in those funds. Individual fund transfers for the year ended June 30, 2012 were as follows:

	Transfers in	Transfers out
<b>General Fund</b>	<b>\$ 152,597</b>	<b>173,455</b>
Other Governmental Funds:		
Special revenue funds:		
Mt. Agamenticus education	5,263	-
School lunch	148,205	-
Trails	6,935	-
Conservation coordinator	25,250	-
<b>Total special revenue funds</b>	<b>185,653</b>	<b>-</b>
Capital project funds:		
Ridge/Old post	-	70,335
<b>Total capital project funds</b>	<b>-</b>	<b>70,335</b>
<b>Total Other Governmental Funds</b>	<b>185,653</b>	<b>70,335</b>
Enterprise funds:		
Mt. Agamenticus	-	12,198
Sohier Park	-	50,000
Outside duty	-	32,262
<b>Total enterprise funds</b>	<b>-</b>	<b>94,460</b>
<b>Totals</b>	<b>\$ 338,250</b>	<b>338,250</b>

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

**CHANGES IN LONG-TERM LIABILITIES**

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending balance</u>	<u>Due within one year</u>
<b>Governmental activities:</b>					
General obligation bonds	\$ 22,322,867	9,124,421	2,864,539	28,582,749	2,394,792
Loans payable	-	100,000	41,403	58,597	58,597
Capital leases	196,682	1,322,186	50,416	1,468,452	84,217
Other post employment benefits	236,631	79,780	27,782	288,629	-
Accrued compensated absences	439,932	440,072	439,932	440,072	-
<b>Total long-term liabilities</b>	<b>\$ 23,196,112</b>	<b>11,066,459</b>	<b>3,424,072</b>	<b>30,838,499</b>	<b>2,537,606</b>

**LONG-TERM DEBT**

**Bonds and Notes Payable**

Bonds and notes payable at June 30, 2012 are comprised of the following:

	<u>Originally Issued</u>	<u>Date of issue</u>	<u>Date of maturity</u>	<u>Interest rate</u>	<u>Balance</u>
<b>Bonds and notes payable:</b>					
<b>Governmental activities:</b>					
York Sewer District	\$ 313,593	6/3/2005	6/9/2019	1.30%	138,743
York Sewer District	11,409	9/23/2005	11/14/2019	0%	6,085
General Obligation Bond	3,524,000	11/1/2008	11/1/2028	4.0-5.0%	2,984,000
General Obligation Refunding	10,785,000	3/1/2010	3/1/2020	1.0-3.0%	8,305,000
General Obligation Refunding	8,624,500	7/1/2010	17/1/2020	2.0-3.8%	8,024,500
General Obligation Refunding	9,124,421	10/1/2011	9/1/2031	2.0-3.25%	9,124,421
Kennebunk Savings Loan	100,000	1/17/2013	12/17/2012	2.15%	58,597
<b>Total governmental activities</b>					<b>28,641,346</b>

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

	<u>Principal</u>	<u>Interest</u>
2013	\$ 2,453,389	749,782
2014	2,394,049	698,016
2015	2,390,310	646,776
2016	2,389,075	595,627
2017	2,190,842	545,755
2018-2022	8,278,261	1,952,404
2023-2027	4,725,000	1,062,798
2028-2032	3,820,420	285,531
<b>Totals</b>	<b>\$ 28,641,346</b>	<b>6,536,689</b>

In FY 2012, the Town issued general obligation refunding bonds, the principal of which was used to pay off the outstanding balance of its 2001 general obligation bonds. Total principal and interest payments for the 2001 general obligation bonds equaled \$919,080.

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

**LONG-TERM DEBT, CONTINUED**

In accordance with 30 MRSA, Section 5061, as amended, no municipality shall incur debt for specified purposes in excess of certain percentages of state valuation of such municipality. Additionally, no municipality shall incur debt in the aggregate in excess of 15% of its state assessed valuation. At June 30, 2012, the Town's outstanding debt did not exceed these limits.

**CAPITAL LEASES**

The Town has entered into lease agreements as lessee for financing the acquisition of equipment. These leases qualify as capital leases for accounting purposes, and therefore, have been recorded at the present value of future minimum lease payments as of the date of its inception.

The following is a schedule of future minimum lease payments under the capital lease and the present value of the net minimum lease payment at June 30, 2012.

	<u>Governmental Funds</u>
2013	\$ 144,604
2014	143,727
2015	72,180
2016	61,520
2017	63,906
2018-2022	358,803
2023-2027	434,522
<u>2027-2029</u>	<u>198,572</u>
Total minimum lease payments	1,477,834
Less: amount representing interest	9,382
<b>Present value of future minimum lease payments</b>	<b><u>\$ 1,468,452</u></b>

**OVERLAPPING DEBT AND OTHER CONTINGENCIES**

**Overlapping Debt**

The Town is subject to an annual assessment of its proportional share of York County expenses, including debt repayment, as determined by the percentage of the Town's State valuation to the County's State valuation. For the year ended June 30, 2012, the Town's State valuation of \$4,040,700,000 was 13.63% of the County's State valuation of \$29,637,800,000. The Town's share is 13.63% or \$1,591,611 of York County's \$11,674,180 long-term debt outstanding at June 30, 2012.

**Other Contingencies**

On November 12, 2012, a Special Education hearing officer determined that the School Department is responsible for costs of about \$120,000 for two years of programming for a student at an out of district school. The School Department is currently appealing this judgment to Federal District Court. If the appeal is not successful, the School Department will be liable for the other party's attorney's fees and costs, and would potentially be responsible for the student's further instructional costs for a third year.

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**OVERLAPPING DEBT AND OTHER CONTINGENCIES, CONTINUED**

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The School Department's total potential liability if the appeal is unsuccessful is unknown but estimated at \$220,000. At this time, the outcome of the appeal is unclear and there has been no accrual for a liability by the School Department.

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**FUND BALANCE**

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At June 30, 2012, portions of the Governmental Funds fund balances consisted of the following:

	General Fund	Public Safety Building Capital Project	Other Governmental Funds
<b>Nonspendable:</b>			
Prepaid expenditures	\$ 1,314,379	-	-
Amounts held in escrow	353,626	-	-
Permanent fund principal	-	-	20,530
School lunch inventory	-	-	19,816
Total nonspendable	1,668,005	-	40,346
<b>Restricted:</b>			
School general fund	1,258,639	-	-
School special revenues	-	-	300,734
York Beach TIF	-	-	43,838
Other Town grants and donations	-	-	25,433
Permanent fund income	-	-	21
Total restricted	1,258,639	-	370,026
<b>Committed:</b>			
Public safety building capital project fund	-	5,997,485	-
Mitchell/Airport Drive capital project fund	-	-	1,033,284
Energy efficiency capital project fund	-	-	148,000
Town docks capital project fund	-	-	304,829
Lake Carolyn Dam capital project fund	-	-	105,124
Town hall improvements capital project fund	-	-	94,478
York Street capital project fund	-	-	265,395
Route 103 capital project fund	-	-	143,305
SCBA capital project fund	-	-	301,776
Connector road capital project fund	-	-	1,542,201
Other Town capital project funds	-	-	138,843
York Beach reserve special revenue fund	-	-	172,904
Harbor dredge special revenue fund	-	-	340,978
Harbor/wharf special revenue fund	-	-	172,953
Impact fees special revenue fund	-	-	41,474
Performance accounts special revenue fund	-	-	157,769
Other Town special revenue funds	-	-	164
Total committed	-	5,997,485	4,963,477

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**FUND BALANCE, CONTINUED**

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Assigned:			
Future budgeted use of fund balance	\$ 650,000	-	-
Town budget carry forwards:			
Village plan	44,542	-	-
Voting machines	45,000	-	-
Legal (MTA Issue)	10,738	-	-
Legal	32,674	-	-
Printing/records management	4,521	-	-
Debt services (YSD)	14,736	-	-
Cable TV	2,823	-	-
Town hall contracts	6,033	-	-
Police vehicles	47,355	-	-
Public safety conceptual design	60,684	-	-
Hot top	36,054	-	-
FEMA funds	8,094	-	-
Bog Road	1,229	-	-
Contingency	40,083	-	-
Contingency (Cape Neddick River)	20,214	-	-
Contingency (heating oil assistance)	10,102	-	-
Bellmarsh Road	416	-	-
Woodbridge Road Sidewalk	3,770	-	-
Sign maintenance	3,285	-	-
Road repair and reconstruction	273,922	-	-
Ocean Avenue curb	34,000	-	-
Fishermen's Walk renovations	33,477	-	-
Seawall repair	19,564	-	-
Broadway/Airport Drive drainage	29,505	-	-
Cow Beach phase II drainage	18,200	-	-
Town reserves:			
OT detail	2,687	-	-
Lawns to lobsters	(606)	-	-
350 <sup>th</sup>	5,378	-	-
Airport Drive	22,113	-	-
Academic reimbursement	8,016	-	-
Animal welfare	24,590	-	-
Building	41,600	-	-
Bog Road	19,459	-	-
Capital equipment	7,800	-	-
CEO	61,782	-	-
CMP Spur Road	9,985	-	-
Conservation	4,348	-	-
Earned time	190,729	-	-
Fireworks	41	-	-
York Beach fire truck	2,025	-	-
Fishermen's fund	1,034	-	-
Fishermen's memorial	924	-	-
Goodrich Park	355	-	-

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

**FUND BALANCE, CONTINUED**

Heat	\$ 16,300	-	-
Historic markers	379	-	-
Hoist repair	1,482	-	-
Long Sands BH	468	-	-
Nubble Light	14,624	-	-
Off premise signs	4,533	-	-
Open space	81,933	-	-
Wheeler Marsh	12,976	-	-
Public works equipment	2,889	-	-
Street openings	(1,280)	-	-
Sohier Park maintenance	3,743	-	-
Tree planting	6,326	-	-
Unemployment	(1,589)	-	-
Village lights	1,112	-	-
Wheeler trust	(3,126)	-	-
<b>Total assigned</b>	<b>1,994,051</b>	<b>-</b>	<b>-</b>
<b>Unassigned</b>	<b>\$ 1,914,816</b>	<b>-</b>	<b>(712,231)</b>
<b>Total fund balance</b>	<b>\$ 6,835,511</b>	<b>5,997,485</b>	<b>4,661,618</b>

**TAX INCREMENT FINANCING DISTRICT**

Under Maine law, the Town has established a Tax Increment Financing District (TIF) to finance improvements within the Town of York. The District specifically encompasses the downtown residential and commercial areas of York Beach, as well as the surrounding open areas. The purpose of the District is to fund certain improvements to the York Beach area, including drainage and flood control infrastructure, sidewalk improvements, and area traffic designs. TIF improvements are to be funded through a combination of municipal bonds, federal grants, and the incremental value multiplied by the tax rate. The incremental value is defined as the increase of the current valuation over the original assessed value of \$36,650,300. As there has been a decrease in the valuation of the District area, no current year taxes have been allocated to the District. Expenditures related to the District's purpose totaled \$21,354 as of June 30, 2012.

**MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM (MainePERS)**

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

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM (MainePERS), CONTINUED**

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**Funding Policy** - Plan members are required to contribute 6.5% of their annual covered salary and the Town of York is required to contribute an actuarially determined rate.

The current rate is 5.3% for the Regular AC plan and 7.5% for the Special #2C plan, of annual covered payroll. The contribution rates of plan members and the Town of York are established and may be amended by the Maine Public Employees Retirement System Board of Trustees. The Town's contributions to the Maine Public Employees Retirement System Consolidated Plan for the year ended June 30, 2012 was \$230,932, which is equal to the required contributions for the year.

**Maine Public Employees Retirement System (Maine PERS) - Teachers Group**

**Description of Plan** - All school teachers, plus other qualified educators, participate in the Maine Public Employees Retirement System's teacher group. The teacher's group is a cost-sharing plan with a special funding situation, established by the Maine State legislature. The Maine Public Employees Retirement System provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Maine State Legislature establishes and amends benefit provisions. The Maine Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the Teacher's Group. 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 7.65% of their compensation to the retirement system. The State of Maine Department of Education is required, by the same statute, to contribute the employer contribution which amounts to \$2,038,129 (16.36%) for the fiscal year 2012. This amount has been reported as an intergovernmental revenue and retirement expenditure in the GAAP basis financial statements (Statement 2). There is no contribution required by the School except for federally funded teachers, for which the School contributed 16.36% of their compensation. This cost is charged to the applicable grant.

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**457 RETIREMENT PLAN**

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The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue (IRC) Section 457. The plan permits participating employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The Town contributes 7.5% of annual compensation on behalf of full time employees who are not participating in the Maine Public Employees Retirement System. Contributions for the year ended June 30, 2012 were \$122,111.

The requirements of IRS Section 457(g) prescribes that the Town no longer owns the amounts deferred by employees, including the related income on those amounts. Accordingly, the assets and the liability for the compensation deferred by plan participants, including earnings on their plan assets, were removed from the Town's financial statements.

**TOWN OF YORK, MAINE**  
**Notes to Basic 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, or participates in public entity risk pools or is effectively self-insured. Currently, the Town participates in two public entity risk pools sponsored by the Maine Municipal Association. Based on the coverage provided by these pools, as well as certain coverage provided by commercial insurance purchased, the Town is not aware of any material actual or potential claim liabilities which should be recorded at June 30, 2012.

**COMMITMENTS**

As of June 30, 2012, the Town has commitments for various, ongoing construction projects, including the public safety building and energy upgrades at the School Department, among others.

**PRIOR PERIOD ADJUSTMENTS**

During FY 2012, the Town discovered errors in previously reported capital assets and related accumulated depreciation and in the accrued compensated absences balance. In addition, the School Department determined there was accrued payroll for hourly employees that should have been reported in the prior year.

Governmental Activities Net Assets and the General Fund fund balance as of July 1, 2011 have been restated as follows:

	Governmental Activities	General Fund
Net assets/fund balance as previously reported	\$50,635,791	7,101,883
Asset disposals	(14,958)	-
Accumulated depreciation	150,324	-
Accrued compensated absences	587,149	-
Accrued payroll	(69,883)	(69,883)
<b>Net assets/fund balance, as restated</b>	<b>\$ 51,288,423</b>	<b>7,032,000</b>

**SUBSEQUENT EVENTS**

In August 2012, the Town issued \$3,644,100 of general obligation bonds, which were approved in the May 2012 budget referendum.

In September 2012, the School Committee voted to authorize \$159,620 lease purchase agreement for computer equipment and related software and peripherals.

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**OTHER POST EMPLOYMENT BENEFITS**

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

The Town of York is a member of the Maine Municipal Employees Health Trust. The Health Trust contracted with an outside consultant to assist in the determination and valuation of the Town's OPEB liability under GASB Statement 45. An OPEB liability actuarial valuation was completed by the consultants in October 2011.

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

**Funding Policy and Annual OPEB Cost** - GASB Statement 45 does not mandate the prefunding of postemployment benefits liability. The Town currently funds these benefits on a pay-as-you-go basis. No assets have been segregated and restricted to provide postemployment benefits.

The annual required contribution (ARC), an actuarial determined rate, represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize unfunded actuarial liabilities over a period not to exceed thirty years.

The following table represents the OPEB costs for the years ended June 30, 2012, 2011 and 2010 and the annual required contribution:

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Normal cost	\$ 33,027	33,027	49,868
Amortization of unfunded	49,227	49,227	48,328
Interest	10,832	8,315	5,337
Annual required contribution	93,086	90,569	103,533
<u>Amortizing adjustment to ARC</u>	<u>(13,306)</u>	<u>(9,667)</u>	<u>(4,877)</u>
Annual OPEB cost	79,780	80,902	98,656
<u>Contributions made</u>	<u>(27,782)</u>	<u>(17,975)</u>	<u>(15,827)</u>
Increase in net OPEB obligation	51,998	62,927	82,829
<u>Net OPEB obligation beginning of year</u>	<u>236,631</u>	<u>173,704</u>	<u>90,875</u>
Net OPEB obligation end of year	\$ 288,629	\$ 236,631	173,704

The "contributions made" represent an implicit rate subsidy offset based on a calculation provided by the actuary which calculates the percentage of premiums which subsidizes retirees.

**TOWN OF YORK, MAINE**  
**Notes to Basic Financial Statements, Continued**

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**OTHER POST EMPLOYMENT BENEFITS, CONTINUED**

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**Funding Status and Funding Progress** - The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the years ended June 30, 2012, 2011 and 2010 were as follows:

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Annual OPEB Cost	\$ 79,780	80,902	98,656
<u>Percent of annual OPEB cost contributed</u>	2.87%	4.5%	6.23%
<u>Net OPEB obligation</u>	288,629	236,631	173,704
Actuarial accrued liability	885,280	885,280	869,124
<u>Plan assets</u>	-	-	-
Unfunded actuarial accrued liability	885,280	885,280	869,124
<u>Covered payroll</u>	7,201,733	6,000,000	5,200,000
Unfunded actuarial accrued liability as a percentage of covered payroll	12.29%	14.75%	16.71%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The required schedule of funding progress presented as required supplementary information provides multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

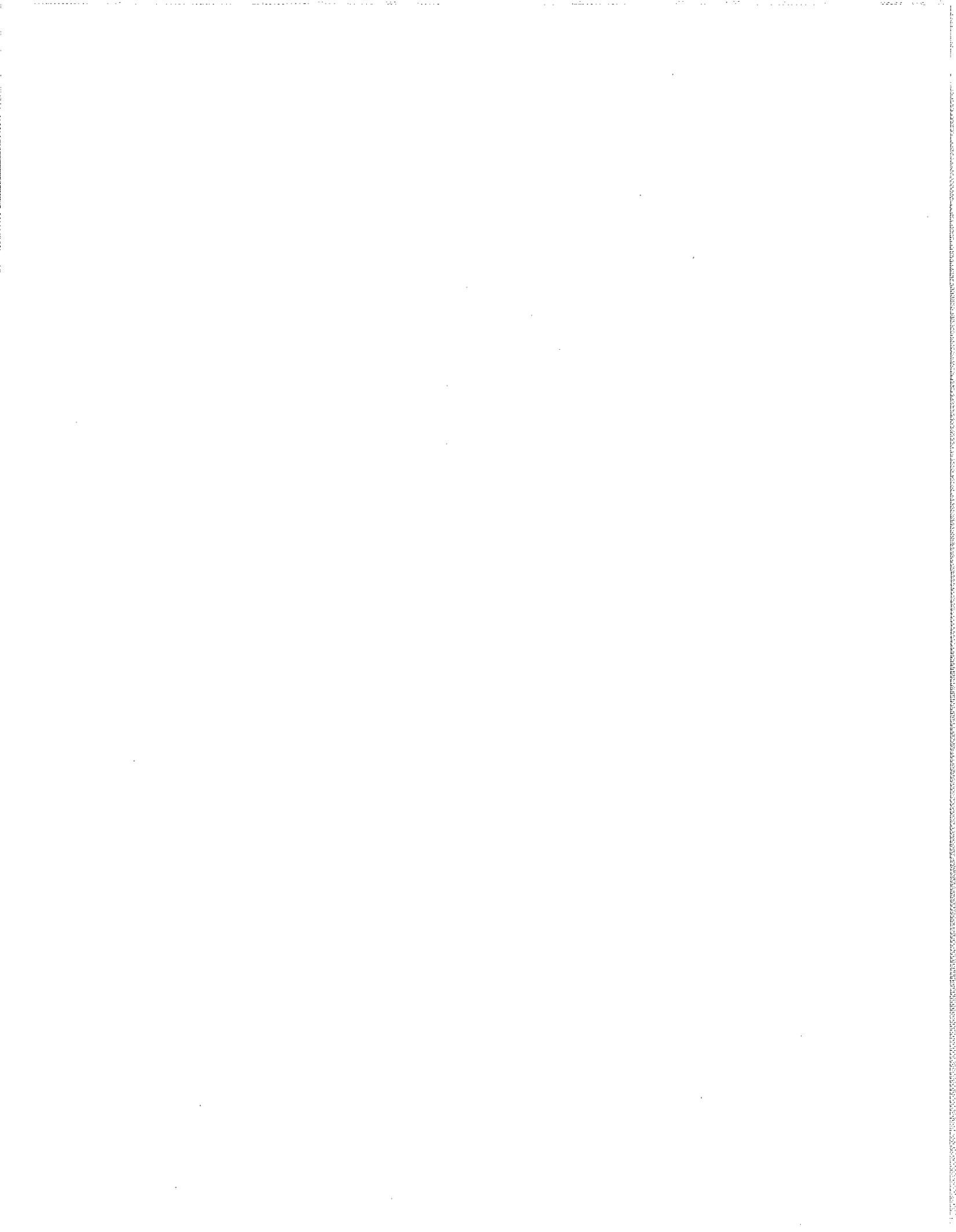
**Actuarial Methods and Assumptions** - Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the Town and plan members at that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

Actuarial valuation date	1/1/11
Actuarial cost method	Projected unit credit
Amortization method	Level dollar
Remaining amortization period	30 years
Actuarial assumptions:	
Investment rate of return	4.0%
Projected salary increases	N/A
Healthcare inflation rate	4.0% - 8.7%

**TOWN OF YORK, MAINE**  
**Required Supplementary Information**

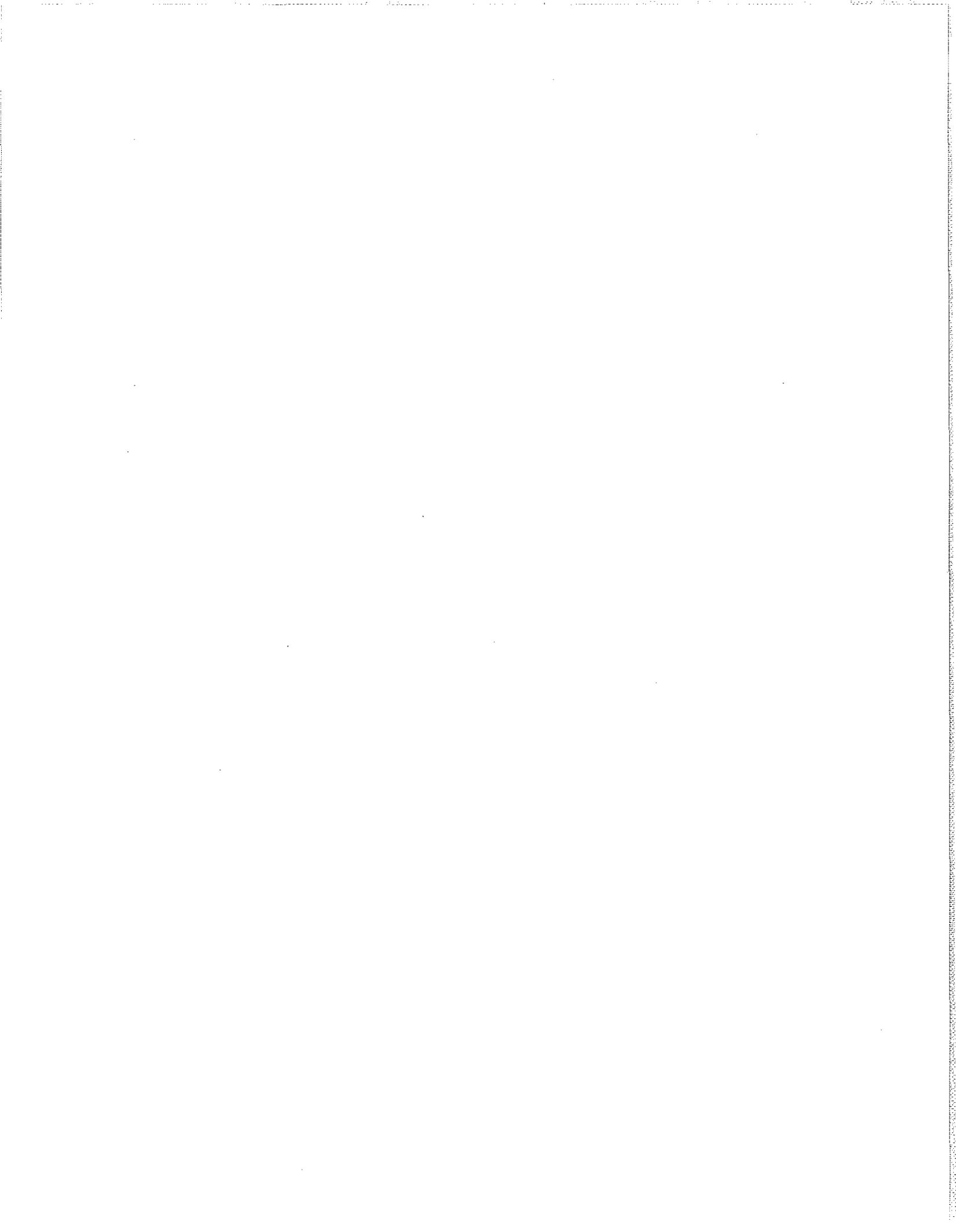
**Schedule of Funding Progress**  
**Retiree Healthcare Plan**

<u>Fiscal Year</u>	<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) – Entry Age (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll [(b-a) / c]</u>
2009	1/1/09	\$ -	869,124	869,124	0.00%	5,100,000	17.04%
2010	1/1/09	\$ -	869,124	869,124	0.00%	5,200,000	16.71%
2011	1/1/11	\$ -	885,280	885,280	0.00%	6,000,000	14.75%
2012	1/1/11	\$ -	885,280	885,280	0.00%	7,201,733	12.29%



## **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 YORK, MAINE**  
**Balance Sheet - General Fund**  
**June 30, 2012**

<b>ASSETS</b>	
Cash and cash equivalents	\$ 14,687,689
Receivables:	
Accounts	241,566
Intergovernmental	3,785
Taxes receivable - current year	981,046
Taxes receivable - prior years	29,379
Tax liens	442,068
Tax acquired property	55,705
Prepaid expenditures	1,314,379
Amount held in escrow	353,626
Restricted cash	236,033
<b>Total assets</b>	<b>\$ 18,345,276</b>
<b>LIABILITIES AND FUND BALANCE</b>	
Liabilities:	
Accounts payable	953,442
Accrued payroll	1,733,043
Other liabilities	76,198
Deferred revenues	1,087,930
Escrow payable	236,033
Interfund loans payable	7,423,119
<b>Total liabilities</b>	<b>11,509,765</b>
Fund balance:	
Nonspendable	1,314,379
Restricted	1,258,639
Assigned	1,994,051
Unassigned	2,268,442
<b>Total fund balance</b>	<b>6,835,511</b>
<b>Total liabilities and fund balance</b>	<b>\$ 18,345,276</b>

**TOWN OF YORK, MAINE**  
**General Fund**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget and Actual**  
**For the year ended June 30, 2012**

	Budget	Actual	Variance positive (negative)
<b>Revenues:</b>			
<b>Taxes:</b>			
Property taxes	\$ 36,406,723	36,390,549	(16,174)
Supplemental taxes	-	31,954	31,954
Change in deferred tax revenue	-	(190,386)	(190,386)
Excise taxes	2,707,000	2,540,110	(166,890)
Other	42,500	31,230	(11,270)
Total taxes	39,156,223	38,803,457	(352,766)
<b>Licenses and permits:</b>			
Town clerk fees	95,000	100,842	5,842
Plumbing permits	30,000	28,197	(1,803)
Parking stickers	87,500	98,214	10,714
Parking permits	2,000	6,000	4,000
Transfer station permits	35,000	28,948	(6,052)
Other permits and fees	3,130	8,820	5,690
Total licenses and permits	252,630	271,021	18,391
<b>Intergovernmental:</b>			
State Revenue Sharing	455,000	505,814	50,814
Homestead reimbursement	125,243	125,243	-
BETE reimbursement	22,713	22,755	42
General assistance reimbursement	9,000	6,867	(2,133)
Public safety grants	-	114,118	114,118
FEMA grants	-	15,878	15,878
Rural roads	165,000	201,220	36,220
Education subsidy	1,295,433	975,151	(320,282)
Adult education subsidy	52,000	55,968	3,968
Medicaid reimbursements	45,000	2,328	(42,672)
State agency clients	20,000	7,964	(12,036)
Other	13,000	18,852	5,852
Total intergovernmental	2,202,389	2,052,158	(150,231)
<b>Charges for services:</b>			
Parking ticket revenue	105,000	72,474	(32,526)
Meter collections	195,000	209,754	14,754
Community development code fees	321,818	259,631	(62,187)
York hospital patrol fees	110,000	114,000	4,000
Police department fees	-	16,172	16,172
Ellis Park fees	29,000	34,524	5,524
Ogunquit reimbursement	252,000	234,000	(18,000)
Public safety answering point	58,000	89,842	31,842
Animal control officer registrations	20,000	4,623	(15,377)
Impact fees	115,000	108,720	(6,280)
Other charges for services	-	275	275
Adult Education	63,500	58,045	(5,455)
Total charges for services	1,269,318	1,202,060	(67,258)

**TOWN OF YORK, MAINE**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget and Actual - General Fund, Continued**

	Budget	Actual	Variance positive (negative)
Revenues, continued:			
Other:			
Interest revenue	260,000	216,579	(43,421)
Board of Appeals	3,500	1,500	(2,000)
Cable TV	175,000	190,329	15,329
Sale of property	-	171,072	171,072
Other school department revenues	44,012	37,275	(6,737)
Donations	-	1,730	1,730
Miscellaneous	4,250	103,686	99,436
Total other	486,762	722,171	235,409
Total revenues	43,367,322	43,050,867	(316,455)
Expenditures:			
Current:			
General government:			
Board of selectmen	13,780	12,236	1,544
Town manager	238,649	235,242	3,407
Finance	430,658	441,956	(11,298)
Assessing	288,451	292,393	(3,942)
Community development	655,873	644,126	11,747
Town clerk/tax collector	338,021	325,809	12,212
Town hall	267,577	220,230	47,347
Printing/records management	18,852	14,330	4,522
Elections	31,805	21,163	10,642
Total general government	2,283,666	2,207,485	76,181
Public safety:			
Police	3,099,959	3,241,062	(141,103)
Communications	840,865	871,530	(30,665)
Fire	887,667	859,684	27,983
Hydrants	856,500	851,455	5,045
Harbormaster	47,041	43,062	3,979
Animal control	52,719	55,061	(2,342)
FEMA grants	8,655	66,562	(57,907)
Public health	80,000	80,000	-
Total public safety	5,873,406	6,068,416	(195,010)
Public works:			
Highway maintenance	1,174,060	1,149,778	24,282
Winter maintenance	1,079,367	952,039	127,328
Other public works	1,590,823	1,461,023	129,800
Total public works	3,844,250	3,562,840	281,410
Parks and recreation:			
Short sands park	37,076	36,032	1,044
Recreation administration	127,879	127,459	420
Senior center	231,534	227,677	3,857
Parks, grounds, and beaches	713,220	687,518	25,702
Total parks and recreation	1,109,709	1,078,686	31,023
Public assistance:			
General assistance	35,501	19,040	16,461
Outside agencies	36,200	36,200	-
Circuit breaker assistance	50,000	49,560	440
Total public assistance	121,701	104,800	16,901

**TOWN OF YORK, MAINE**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget and Actual - General Fund, Continued**

	Budget	Actual	Variance positive (negative)
Expenditures, continued:			
Library	\$ 450,218	450,218	-
Education	25,833,171	24,987,048	846,123
County tax	2,180,668	2,194,203	(13,535)
Unclassified:			
Boards and committees	29,430	13,368	16,062
Insurance	417,000	321,375	95,625
Contingency	34,700	10,056	24,644
Cable TV	921	5,599	(4,678)
Overlay/abatements	76,907	27,625	49,282
Other	31,500	38	31,462
Total unclassified	590,458	378,061	212,397
Capital outlay:			
Village plan	44,541	-	44,541
Voting machines	45,000	-	45,000
Contingency - Cape Neddick	50,000	14,486	35,514
Police vehicles	152,338	85,245	67,093
Public safety conceptual design	91,992	31,308	60,684
Roads and side walks	1,035,955	624,455	411,500
Drainage	136,268	88,563	47,705
Seawall repair	25,549	5,985	19,564
Total capital outlay	1,581,643	850,042	731,601
Debt service:			
Bond costs	44,296	37,752	6,544
Principal	804,780	787,408	17,372
Interest	505,912	436,528	69,384
Total debt service	1,354,988	1,261,688	93,300
Total expenditures	45,223,878	43,143,487	2,080,391
Deficiency of revenues under expenditures	(1,856,556)	(92,620)	1,763,936
Other financing sources (uses):			
Use of fund balance	790,000	-	(790,000)
Carryforward balances	1,081,856	-	(1,081,856)
Appropriations for reserve accounts	-	1,484	1,484
Transfer to reserve accounts	(15,300)	(50,000)	(34,700)
Transfers to special revenue funds	-	(173,455)	(173,455)
Transfers from enterprise funds	-	82,262	82,262
Transfers from capital project funds	-	70,335	70,335
Total other financing sources	1,856,556	(69,374)	(1,925,930)
Net change in fund balance	-	(161,994)	(161,994)
Fund balance, beginning of year-budgetary basis, restated		6,454,475	
Fund balance, end of year-budgetary basis		6,292,481	
Amounts held in reserves		543,030	
<b>Fund balance, end of year - GAAP basis</b>	<b>\$</b>	<b>6,835,511</b>	

**NONMAJOR GOVERNMENTAL FUNDS**



**TOWN OF YORK, MAINE**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2012**

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total Other Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 540,614	2,557,725	23,706	3,122,045
Intergovernmental receivables	413,092	-	-	413,092
Inventory	19,816	-	-	19,816
Interfund loans receivable	494,466	1,841,451	-	2,335,917
<b>Total assets</b>	<b>\$ 1,467,988</b>	<b>4,399,176</b>	<b>23,706</b>	<b>5,890,870</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	29,107	79,175	-	108,282
Accrued payroll	51,258	-	-	51,258
Interfund loans payable	282,241	784,316	3,155	1,069,712
<b>Total liabilities</b>	<b>362,606</b>	<b>863,491</b>	<b>3,155</b>	<b>1,229,252</b>
Fund balances:				
Nonspendable	19,816	-	20,530	40,346
Restricted	370,005	-	21	370,026
Committed	886,242	4,077,235	-	4,963,477
Unassigned	(170,681)	(541,550)	-	(712,231)
<b>Total fund balances</b>	<b>1,105,382</b>	<b>3,535,685</b>	<b>20,551</b>	<b>4,661,618</b>
<b>Total liabilities and fund balances</b>	<b>\$ 1,467,988</b>	<b>4,399,176</b>	<b>23,706</b>	<b>5,890,870</b>

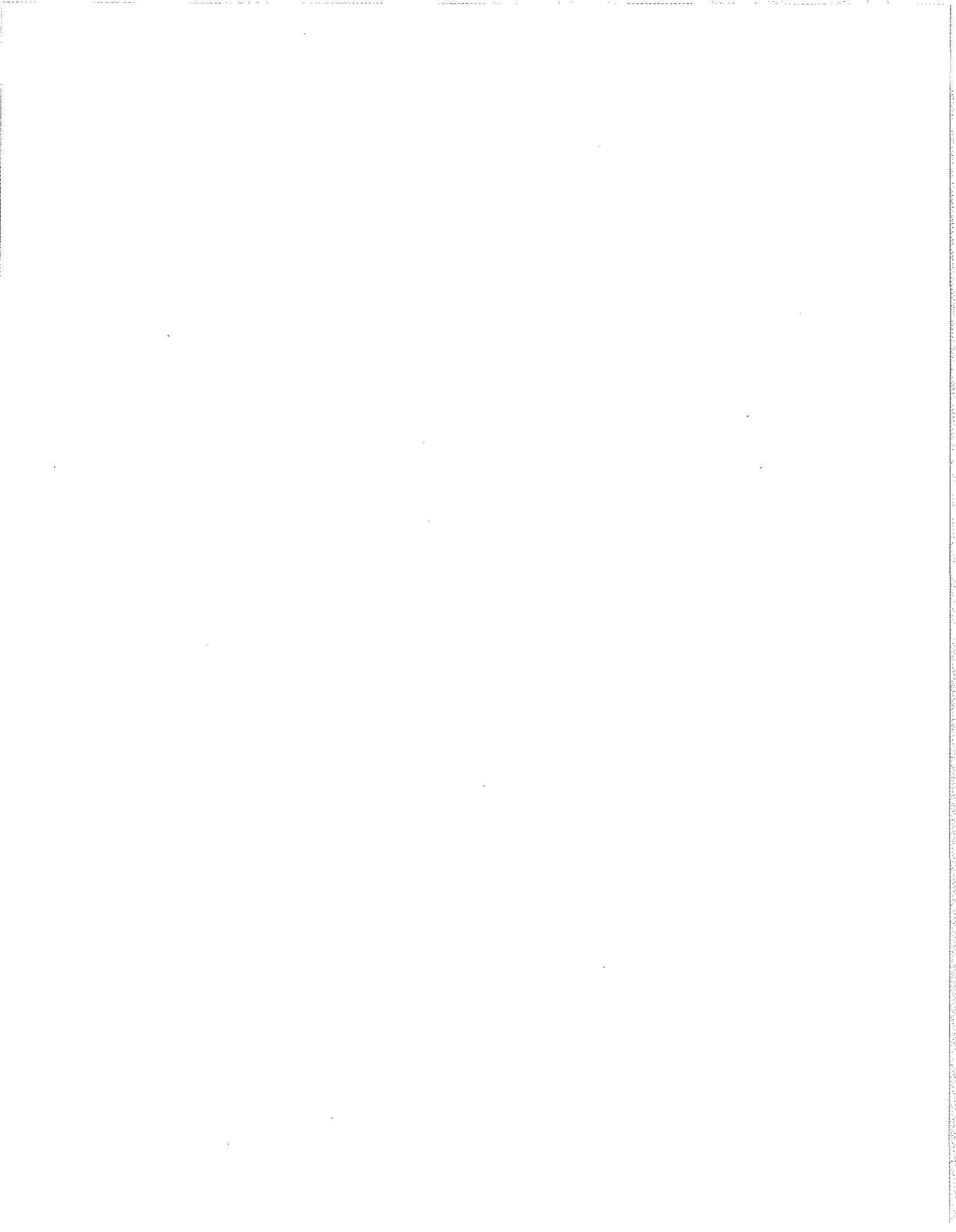
**TOWN OF YORK, MAINE**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the year ended June 30, 2012**

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total Other Governmental Funds
Revenues:				
Intergovernmental	\$ 1,543,575	-	-	1,543,575
Donations	16,569	-	-	16,569
Charges for services	653,152	-	-	653,152
Interest income	219	7,853	21	8,093
Other revenue	32,995	-	-	32,995
<b>Total revenues</b>	<b>2,246,510</b>	<b>7,853</b>	<b>21</b>	<b>2,254,384</b>
Expenditures:				
Current:				
Program expenditures	2,324,557	-	-	2,324,557
Other expenditures	-	570	-	570
Debt service	-	918,075	-	918,075
Capital expenditures	-	2,790,529	-	2,790,529
<b>Total expenditures</b>	<b>2,324,557</b>	<b>3,709,174</b>	<b>-</b>	<b>6,033,731</b>
Excess (deficiency) of revenues over (under) expenditures	(78,047)	(3,701,321)	21	(3,779,347)
Other financing sources (uses):				
Bond proceeds	-	2,663,882	-	2,663,882
Premium on bond issuance	-	18,075	-	18,075
Loan proceeds	-	100,000	-	100,000
Transfers in	185,653	-	-	185,653
Transfers out	-	(70,335)	-	(70,335)
<b>Total other financing sources</b>	<b>185,653</b>	<b>2,711,622</b>	<b>-</b>	<b>2,897,275</b>
<b>Net change in fund balances</b>	<b>107,606</b>	<b>(989,699)</b>	<b>21</b>	<b>(882,072)</b>
Fund balances, beginning of year	997,776	4,525,384	20,530	5,543,690
<b>Fund balances, end of year</b>	<b>\$ 1,105,382</b>	<b>3,535,685</b>	<b>20,551</b>	<b>4,661,618</b>

## **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.



**TOWN OF YORK, MAINE**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**June 30, 2012**

		405	406	407	409	411	413	415
		CDBG Grant	Beach Reserve	Safe Routes Grant	FEMA Irene Grant	Emergency Planning Grants	ATV Grant	Smart Policing Grant
<b>ASSETS</b>								
Cash and cash equivalents	\$	-	73,632	-	-	-	-	-
Intergovernmental receivable		-	-	-	-	53,262	6,000	212
Inventory		-	-	-	-	-	-	-
Interfund loans receivable		-	99,274	500	15,703	-	-	1,957
<b>Total assets</b>	<b>\$</b>	<b>-</b>	<b>172,906</b>	<b>500</b>	<b>15,703</b>	<b>53,262</b>	<b>6,000</b>	<b>2,169</b>
<b>LIABILITIES AND FUND BALANCES</b>								
Liabilities:								
Accounts payable		-	2	500	-	-	-	2,169
Accrued payroll		-	-	-	-	-	-	-
Interfund loans payable		-	-	-	-	53,262	6,000	-
<b>Total liabilities</b>		<b>-</b>	<b>2</b>	<b>500</b>	<b>-</b>	<b>53,262</b>	<b>6,000</b>	<b>2,169</b>
Fund balances (deficits):								
Nonspendable		-	-	-	-	-	-	-
Restricted		-	-	-	15,703	-	-	-
Committed		-	172,904	-	-	-	-	-
Unassigned		-	-	-	-	-	-	-
<b>Total fund balances (deficits)</b>		<b>-</b>	<b>172,904</b>	<b>-</b>	<b>15,703</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities and fund balances</b>	<b>\$</b>	<b>-</b>	<b>172,906</b>	<b>500</b>	<b>15,703</b>	<b>53,262</b>	<b>6,000</b>	<b>2,169</b>

**TOWN OF YORK, MAINE**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**June 30, 2012**

	436	440	442	451	452	455	456	458
	HBB	Harbor Dredge	Harbor/ Wharf	KSB Challenge	Impact Fees	Maine Historic Pres	MMA Wellness	Mt. A Landscape
<b>ASSETS</b>								
Cash and cash equivalents	\$ -	277,996	102,624	-	57,522	-	-	-
Intergovernmental receivable	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-
Interfund loans receivable	2,919	62,982	72,701	7,426	-	-	136	-
<b>Total assets</b>	<b>\$ 2,919</b>	<b>340,978</b>	<b>175,325</b>	<b>7,426</b>	<b>57,522</b>	<b>-</b>	<b>136</b>	<b>-</b>
<b>LIABILITIES AND FUND BALANCES</b>								
Liabilities:								
Accounts payable	5	-	2,372	-	-	-	-	-
Accrued payroll	2,886	-	-	-	-	-	-	-
Interfund loans payable	-	-	-	-	16,048	2,700	-	4,980
<b>Total liabilities</b>	<b>2,891</b>	<b>-</b>	<b>2,372</b>	<b>-</b>	<b>16,048</b>	<b>2,700</b>	<b>-</b>	<b>4,980</b>
Fund balances (deficits):								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	7,426	-	-	-	-
Committed	28	340,978	172,953	-	41,474	-	136	-
Unassigned	-	-	-	-	-	(2,700)	-	(4,980)
<b>Total fund balances (deficits)</b>	<b>28</b>	<b>340,978</b>	<b>172,953</b>	<b>7,426</b>	<b>41,474</b>	<b>(2,700)</b>	<b>136</b>	<b>(4,980)</b>
<b>Total liabilities and fund balances</b>	<b>\$ 2,919</b>	<b>340,978</b>	<b>175,325</b>	<b>7,426</b>	<b>57,522</b>	<b>-</b>	<b>136</b>	<b>-</b>

**TOWN OF YORK, MAINE**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**June 30, 2012**

		459	468	468	471	472	474	490	
		Mt. A	School	School	York Beach		Conservation	Performance	
		Education	Special	School	TIF	Trails	Coordinator	Accounts	Totals
			Revenues	Lunch					
<b>ASSETS</b>									
Cash and cash equivalents	\$	-	-	28,840	-	-	-	-	540,614
Intergovernmental receivable		-	326,597	27,021	-	-	-	-	413,092
Inventory		-	-	19,816	-	-	-	-	19,816
Interfund loans receivable		-	22,016	-	43,838	-	3,396	161,618	494,466
<b>Total assets</b>	<b>\$</b>	<b>-</b>	<b>348,613</b>	<b>75,677</b>	<b>43,838</b>	<b>-</b>	<b>3,396</b>	<b>161,618</b>	<b>1,467,988</b>
<b>LIABILITIES AND FUND BALANCES</b>									
Liabilities:									
Accounts payable		-	5,502	14,708	-	-	-	3,849	29,107
Accrued payroll		-	42,377	2,883	-	2,020	1,092	-	51,258
Interfund loans payable		-	-	198,285	-	966	-	-	282,241
<b>Total liabilities</b>		<b>-</b>	<b>47,879</b>	<b>215,876</b>	<b>-</b>	<b>2,986</b>	<b>1,092</b>	<b>3,849</b>	<b>362,606</b>
Fund balances (deficits):									
Nonspendable		-	-	19,816	-	-	-	-	19,816
Restricted		-	300,734	-	43,838	-	2,304	-	370,005
Committed		-	-	-	-	-	-	157,769	886,242
Unassigned		-	-	(160,015)	-	(2,986)	-	-	(170,681)
<b>Total fund balances (deficits)</b>		<b>-</b>	<b>300,734</b>	<b>(140,199)</b>	<b>43,838</b>	<b>(2,986)</b>	<b>2,304</b>	<b>157,769</b>	<b>1,105,382</b>
<b>Total liabilities and fund balances</b>	<b>\$</b>	<b>-</b>	<b>348,613</b>	<b>75,677</b>	<b>43,838</b>	<b>-</b>	<b>3,396</b>	<b>161,618</b>	<b>1,467,988</b>

**TOWN OF YORK, MAINE**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the year ended June 30, 2012**

	405	406	407	409	411	413	415
	CDBG	Beach	Safe	FEMA	Emergency	ATV	Smart
	Grant	Reserve	Routes	Irene	Planning	Grant	Policing
	Grant		Grant	Grant	Grants	Grant	Grant
Revenues:							
Grants	\$ 200,000	-	500	46,620	53,262	12,400	17,861
Donations	-	-	-	-	-	-	-
Charges for services	-	43,094	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-
Interest income	-	32	-	-	-	-	-
<b>Total revenues</b>	<b>200,000</b>	<b>43,126</b>	<b>500</b>	<b>46,620</b>	<b>53,262</b>	<b>12,400</b>	<b>17,861</b>
Expenditures:							
Current:							
Program expenditures	200,000	-	500	30,917	53,262	12,400	17,861
<b>Total expenditures</b>	<b>200,000</b>	<b>-</b>	<b>500</b>	<b>30,917</b>	<b>53,262</b>	<b>12,400</b>	<b>17,861</b>
Excess (deficiency) of revenues over (under) expenditures	-	43,126	-	15,703	-	-	-
Other financing sources:							
Transfers in	-	-	-	-	-	-	-
<b>Total other financing sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	-	43,126	-	15,703	-	-	-
Fund balances (deficits), beginning of year	-	129,778	-	-	-	-	-
<b>Fund balances (deficits), end of year</b>	<b>\$ -</b>	<b>172,904</b>	<b>-</b>	<b>15,703</b>	<b>-</b>	<b>-</b>	<b>-</b>

**TOWN OF YORK, MAINE**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the year ended June 30, 2012**

	436	440	442	451	452	455	456	458
	HBB	Harbor Dredge	Harbor/ Wharf	KSB Challenge	Impact Fees	Maine Historic Pres	MMA Wellness	Mt. A Landscape
Revenues:								
Grants	\$ -	-	-	-	-	-	-	-
Donations	-	-	-	16,569	-	-	-	-
Charges for services	18,795	22,912	40,112	-	-	-	-	-
Other revenue	8,000	-	20,102	-	-	-	-	-
Interest income	-	119	44	-	24	-	-	-
<b>Total revenues</b>	<b>26,795</b>	<b>23,031</b>	<b>60,258</b>	<b>16,569</b>	<b>24</b>	<b>-</b>	<b>-</b>	<b>-</b>
Expenditures:								
Current:								
Program expenditures	42,618	-	33,320	9,143	-	2,700	127	4,980
<b>Total expenditures</b>	<b>42,618</b>	<b>-</b>	<b>33,320</b>	<b>9,143</b>	<b>-</b>	<b>2,700</b>	<b>127</b>	<b>4,980</b>
Excess (deficiency) of revenues over (under) expenditures	(15,823)	23,031	26,938	7,426	24	(2,700)	(127)	(4,980)
Other financing sources:								
Transfers in	-	-	-	-	-	-	-	-
<b>Total other financing sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	(15,823)	23,031	26,938	7,426	24	(2,700)	(127)	(4,980)
Fund balances (deficits), beginning of year	15,851	317,947	146,015	-	41,450	-	263	-
<b>Fund balances (deficits), end of year</b>	<b>\$ 28</b>	<b>340,978</b>	<b>172,953</b>	<b>7,426</b>	<b>41,474</b>	<b>(2,700)</b>	<b>136</b>	<b>(4,980)</b>

**TOWN OF YORK, MAINE**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the year ended June 30, 2012**

	459	468	468	471	472	474	490	
	Mt. A	School	School	York Beach		Conservation	Performance	
	Education	Special	School	TIF	Trails	Coordinator	Accounts	Totals
Revenues:								
Grants	\$ 5,000	980,633	170,674	-	35,000	21,625	-	1,543,575
Donations	-	-	-	-	-	-	-	16,569
Charges for services	-	-	513,520	-	-	-	14,719	653,152
Other revenue	-	-	-	-	4,893	-	-	32,995
Interest income	-	-	-	-	-	-	-	219
Total revenues	5,000	980,633	684,194	-	39,893	21,625	14,719	2,246,510
Expenditures:								
Current:								
Program expenditures	6,138	928,146	851,091	21,354	40,654	59,559	9,787	2,324,557
Total expenditures	6,138	928,146	851,091	21,354	40,654	59,559	9,787	2,324,557
Excess (deficiency) of revenues over (under) expenditures	(1,138)	52,487	(166,897)	(21,354)	(761)	(37,934)	4,932	(78,047)
Other financing sources:								
Transfers in	5,263	-	148,205	-	6,935	25,250	-	185,653
Total other financing sources	5,263	-	148,205	-	6,935	25,250	-	185,653
Net change in fund balances	4,125	52,487	(18,692)	(21,354)	6,174	(12,684)	4,932	107,606
Fund balances (deficits), beginning of year	(4,125)	248,247	(121,507)	65,192	(9,160)	14,988	152,837	997,776
Fund balances (deficits), end of year	\$ -	300,734	(140,199)	43,838	(2,986)	2,304	157,769	1,105,382

## **NONMAJOR GOVERNMENTAL FUNDS**

### **CAPITAL PROJECT FUNDS**

Capital Project Funds are established to account for resources obtained and expended for the acquisition of major capital facilities.



TOWN OF YORK, MAINE  
Combining Balance Sheet  
Nonmajor Capital Project Funds  
June 30, 2012

	200	201	202	203	204	205	206	207	209	210
	Capital	Mitchell/Airport	York/	Roaring	Highland	Town Hall	Fire	Energy	Short Sands	Long
	Improvements	Drive	Raydon	Rock	Farms	Renovations	Truck	Efficiency	Drainage	Sands
<b>ASSETS</b>										
Cash and cash equivalents	\$ -	1,194,498	33,692	29,608	1,561	-	3,288	55,782	-	-
Interfund loans receivable	-	-	-	-	-	-	-	96,932	-	-
<b>Total assets</b>	<b>\$ -</b>	<b>1,194,498</b>	<b>33,692</b>	<b>29,608</b>	<b>1,561</b>	<b>-</b>	<b>3,288</b>	<b>152,714</b>	<b>-</b>	<b>-</b>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>										
Liabilities:										
Accounts payable	-	-	-	-	-	-	-	4,714	47,957	8,583
Interfund loans payable	-	161,214	33,548	16,930	1,554	90,610	-	-	364,101	747
<b>Total liabilities</b>	<b>-</b>	<b>161,214</b>	<b>33,548</b>	<b>16,930</b>	<b>1,554</b>	<b>90,610</b>	<b>-</b>	<b>4,714</b>	<b>412,058</b>	<b>9,330</b>
Fund balances (deficits):										
Committed	-	1,033,284	144	12,678	7	-	3,288	148,000	-	-
Unassigned	-	-	-	-	-	(90,610)	-	-	(412,058)	(9,330)
<b>Total fund balances (deficits)</b>	<b>-</b>	<b>1,033,284</b>	<b>144</b>	<b>12,678</b>	<b>7</b>	<b>(90,610)</b>	<b>3,288</b>	<b>148,000</b>	<b>(412,058)</b>	<b>(9,330)</b>
<b>Total liabilities and fund balances</b>	<b>\$ -</b>	<b>1,194,498</b>	<b>33,692</b>	<b>29,608</b>	<b>1,561</b>	<b>-</b>	<b>3,288</b>	<b>152,714</b>	<b>-</b>	<b>-</b>

**TOWN OF YORK, MAINE**  
**Combining Balance Sheet**  
**Nonmajor Capital Project Funds**  
**June 30, 2012**

	<b>211</b>	<b>212</b>	<b>213</b>	<b>214</b>	<b>215</b>	<b>216</b>	<b>217</b>	<b>218</b>	<b>219</b>	<b>220</b>
	<b>Town</b>	<b>Lake</b>	<b>Town Hall</b>	<b>Ridge/</b>	<b>York Beach</b>	<b>York</b>	<b>North</b>	<b>Bartlett</b>	<b>Josiah</b>	<b>Open</b>
	<b>Docks</b>	<b>Carolyn Dam</b>	<b>Improvements</b>	<b>Old Post</b>	<b>Infrastructure</b>	<b>Street</b>	<b>Village</b>	<b>Road</b>	<b>Norton</b>	<b>Space</b>
<b>ASSETS</b>										
Cash and cash equivalents	\$ 317,924	105,124	3,868	74,338	-	276,644	-	2,821	605	871
Interfund loans receivable	-	-	90,610	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 317,924</b>	<b>105,124</b>	<b>94,478</b>	<b>74,338</b>	<b>-</b>	<b>276,644</b>	<b>-</b>	<b>2,821</b>	<b>605</b>	<b>871</b>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>										
Liabilities:										
Accounts payable	-	-	-	3,923	-	11,249	-	-	-	-
Interfund loans payable	13,095	-	-	72,525	26,398	-	1,044	-	-	-
<b>Total liabilities</b>	<b>13,095</b>	<b>-</b>	<b>-</b>	<b>76,448</b>	<b>26,398</b>	<b>11,249</b>	<b>1,044</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund balances (deficits):										
Committed	304,829	105,124	94,478	-	-	265,395	-	2,821	605	871
Unassigned	-	-	-	(2,110)	(26,398)	-	(1,044)	-	-	-
<b>Total fund balances (deficits)</b>	<b>304,829</b>	<b>105,124</b>	<b>94,478</b>	<b>(2,110)</b>	<b>(26,398)</b>	<b>265,395</b>	<b>(1,044)</b>	<b>2,821</b>	<b>605</b>	<b>871</b>
<b>Total liabilities and fund balances</b>	<b>\$ 317,924</b>	<b>105,124</b>	<b>94,478</b>	<b>74,338</b>	<b>-</b>	<b>276,644</b>	<b>-</b>	<b>2,821</b>	<b>605</b>	<b>871</b>

**TOWN OF YORK, MAINE**  
**Combining Balance Sheet**  
**Nonmajor Capital Project Funds**  
**June 30, 2012**

	221	222	223	224	225	226	228	229	275	
	Route	Ridge	Lake		Plow		Connector	FY 2012	School	
	103	Road	Carolyn	SCBA	Truck	Grader	Road	Plow Truck	Projects	Totals
<b>ASSETS</b>										
Cash and cash equivalents	\$ 143,305	-	159	301,776	3,945	7,916	-	-	-	2,557,725
Interfund loans receivable	-	-	-	-	-	-	1,544,950	73,706	35,253	1,841,451
<b>Total assets</b>	<b>\$ 143,305</b>	<b>-</b>	<b>159</b>	<b>301,776</b>	<b>3,945</b>	<b>7,916</b>	<b>1,544,950</b>	<b>73,706</b>	<b>35,253</b>	<b>4,399,176</b>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>										
Liabilities:										
Accounts payable	-	-	-	-	-	-	2,749	-	-	79,175
Interfund loans payable	-	-	-	-	2,550	-	-	-	-	784,316
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,550</b>	<b>-</b>	<b>2,749</b>	<b>-</b>	<b>-</b>	<b>863,491</b>
Fund balances (deficits):										
Committed	143,305	-	159	301,776	1,395	7,916	1,542,201	73,706	35,253	4,077,235
Unassigned	-	-	-	-	-	-	-	-	-	(541,550)
<b>Total fund balances (deficits)</b>	<b>143,305</b>	<b>-</b>	<b>159</b>	<b>301,776</b>	<b>1,395</b>	<b>7,916</b>	<b>1,542,201</b>	<b>73,706</b>	<b>35,253</b>	<b>3,535,685</b>
<b>Total liabilities and fund balances</b>	<b>\$ 143,305</b>	<b>-</b>	<b>159</b>	<b>301,776</b>	<b>3,945</b>	<b>7,916</b>	<b>1,544,950</b>	<b>73,706</b>	<b>35,253</b>	<b>4,399,176</b>

TOWN OF YORK, MAINE  
 Nonmajor Capital Project Funds  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 For the year ended June 30, 2012

	200	201	202	203	204	205	206	207	209	210
	Capital	Mitchell/Airport	York/	Roaring	Highland	Town Hall	Fire	Energy	Short Sands	Long
	Improvements	Drive	Raydon	Rock	Farms	Renovations	Truck	Efficiency	Drainage	Sands
Revenues:										
Interest income	\$ -	2,624	74	66	4	-	7	136	-	390
Total revenues	-	2,624	74	66	4	-	7	136	-	390
Expenditures:										
Current expenditures:										
Miscellaneous	-	-	-	-	-	-	-	-	570	-
Debt service	918,075	-	-	-	-	-	-	-	-	-
Capital outlay	-	154,352	-	-	-	-	-	5,755	844,534	393,736
Total expenditures	918,075	154,352	-	-	-	-	-	5,755	845,104	393,736
Excess (deficiency) of revenues over (under) expenditures	(918,075)	(151,728)	74	66	4	-	7	(5,619)	(845,104)	(393,346)
Other financing sources (uses):										
Bond proceeds	900,000	-	-	-	-	-	-	-	-	-
Premium on bond issuance	18,075	-	-	-	-	-	-	-	-	-
Loan proceeds	-	-	-	-	-	-	-	100,000	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	918,075	-	-	-	-	-	-	100,000	-	-
Net change in fund balances	-	(151,728)	74	66	4	-	7	94,381	(845,104)	(393,346)
Fund balances (deficits), beginning of year	-	1,185,012	70	12,612	3	(90,610)	3,281	53,619	433,046	384,016
Fund balances (deficits), end of year	\$ -	1,033,284	144	12,678	7	(90,610)	3,288	148,000	(412,058)	(9,330)

TOWN OF YORK, MAINE  
Nonmajor Capital Project Funds  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the year ended June 30, 2012

	211	212	213	214	215	216	217	218	219	220
	Town	Lake	Town Hall	Ridge/ Old Post	York Beach	York	North	Bartlett	Josiah	Open
	Docks	Carolyn Dam	Improvements		Infrastructure	Street	Village	Road	Norton	Space
Revenues:										
Interest income	\$ 738	237	8	167	-	1,281	60	75	1	1
Total revenues	738	237	8	167	-	1,281	60	75	1	1
Expenditures:										
Current expenditures:										
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-	-
Capital outlay	27,830	5,521	-	25,104	38,466	679,094	236,891	147,811	-	-
Total expenditures	27,830	5,521	-	25,104	38,466	679,094	236,891	147,811	-	-
Excess (deficiency) of revenues over (under) expenditures	(27,092)	(5,284)	8	(24,937)	(38,466)	(677,813)	(236,831)	(147,736)	1	1
Other financing sources (uses):										
Bond proceeds	-	-	-	-	-	-	-	-	-	-
Premium on bond issuance	-	-	-	-	-	-	-	-	-	-
Loan proceeds	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	(70,335)	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	(70,335)	-	-	-	-	-	-
Net change in fund balances	(27,092)	(5,284)	8	(95,272)	(38,466)	(677,813)	(236,831)	(147,736)	1	1
Fund balances (deficits), beginning of year	331,921	110,408	94,470	93,162	12,068	943,208	235,787	150,557	604	870
Fund balances (deficits), end of year	\$ 304,829	105,124	94,478	(2,110)	(26,398)	265,395	(1,044)	2,821	605	871

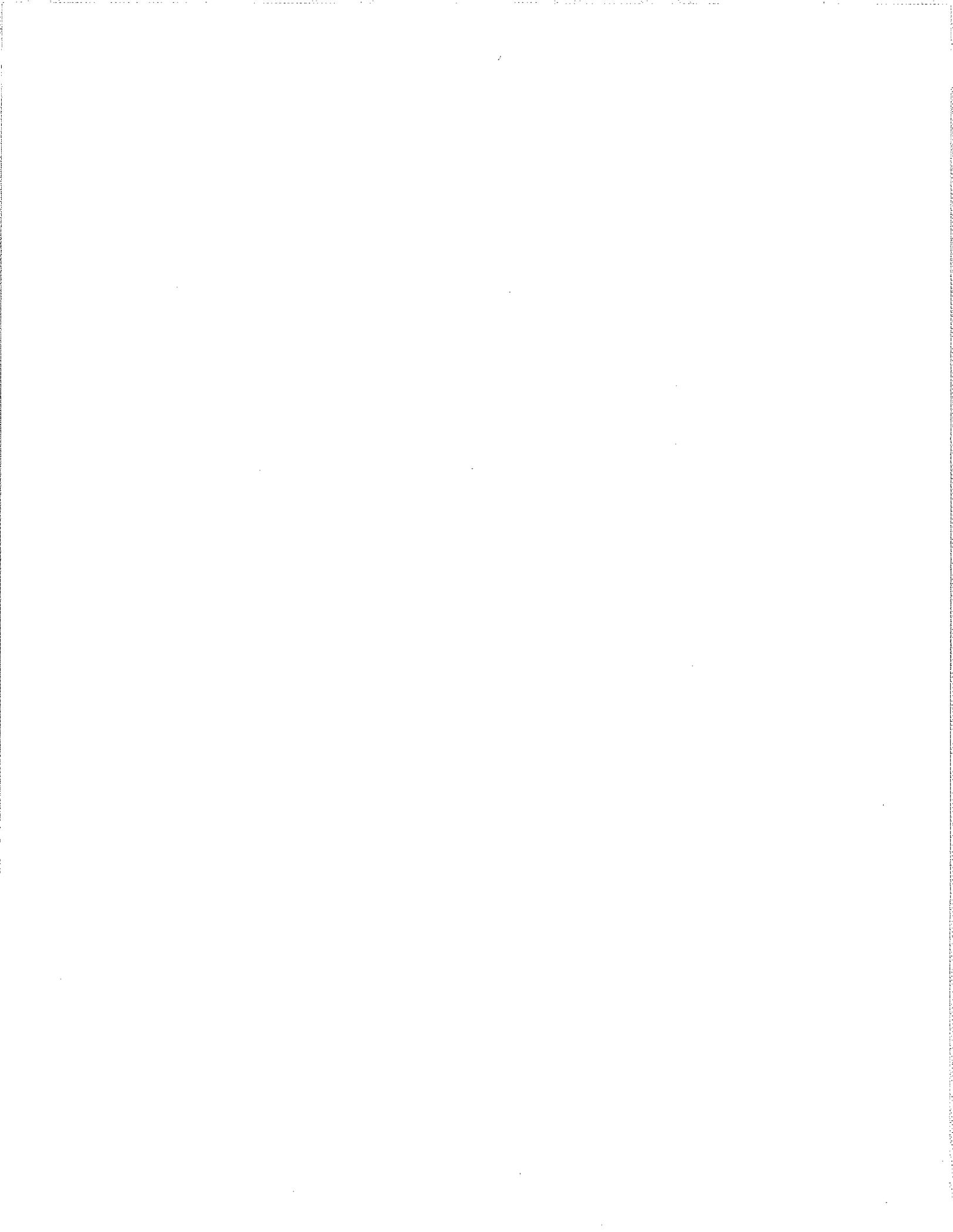
**TOWN OF YORK, MAINE**  
**Nonmajor Capital Project Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the year ended June 30, 2012**

	221 Route 103	222 Ridge Road	223 Lake Carolyn	224 SCBA	225 Plow Truck	226 Grader	228 Connector Road	229 FY 2012 Plow Truck	275 School Projects	Totals
Revenues:										
Interest income	\$ 316	3	1	663	9	18	317	32	625	7,853
Total revenues	316	3	1	663	9	18	317	32	625	7,853
Expenditures:										
Current expenditures:										
Miscellaneous	-	-	-	-	-	-	-	-	-	570
Debt Service	-	-	-	-	-	-	-	-	-	918,075
Capital outlay	868	17,831	-	-	2,550	-	84,126	63,326	62,734	2,790,529
Total expenditures	868	17,831	-	-	2,550	-	84,126	63,326	62,734	3,709,174
Excess (deficiency) of revenues over (under) expenditures	(552)	(17,828)	1	663	(2,541)	18	(83,809)	(63,294)	(62,109)	(3,701,321)
Other financing sources (uses):										
Bond proceeds	-	-	-	-	-	-	1,626,882	137,000	-	2,663,882
Premium on bond issuance	-	-	-	-	-	-	-	-	-	18,075
Loan proceeds	-	-	-	-	-	-	-	-	-	100,000
Transfer to other funds	-	-	-	-	-	-	-	-	-	(70,335)
Total other financing sources (uses)	-	-	-	-	-	-	1,626,882	137,000	-	2,711,622
Net change in fund balances	(552)	(17,828)	1	663	(2,541)	18	1,543,073	73,706	(62,109)	(989,699)
Fund balances (deficits), beginning of year	143,857	17,828	158	301,113	3,936	7,898	(872)	-	97,362	4,525,384
Fund balances (deficits), end of year	\$ 143,305	-	159	301,776	1,395	7,916	1,542,201	73,706	35,253	3,535,685

## **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.



**TOWN OF YORK, MAINE**  
**Balance Sheet**  
**Nonmajor Permanent Funds**  
**June 30, 2012**

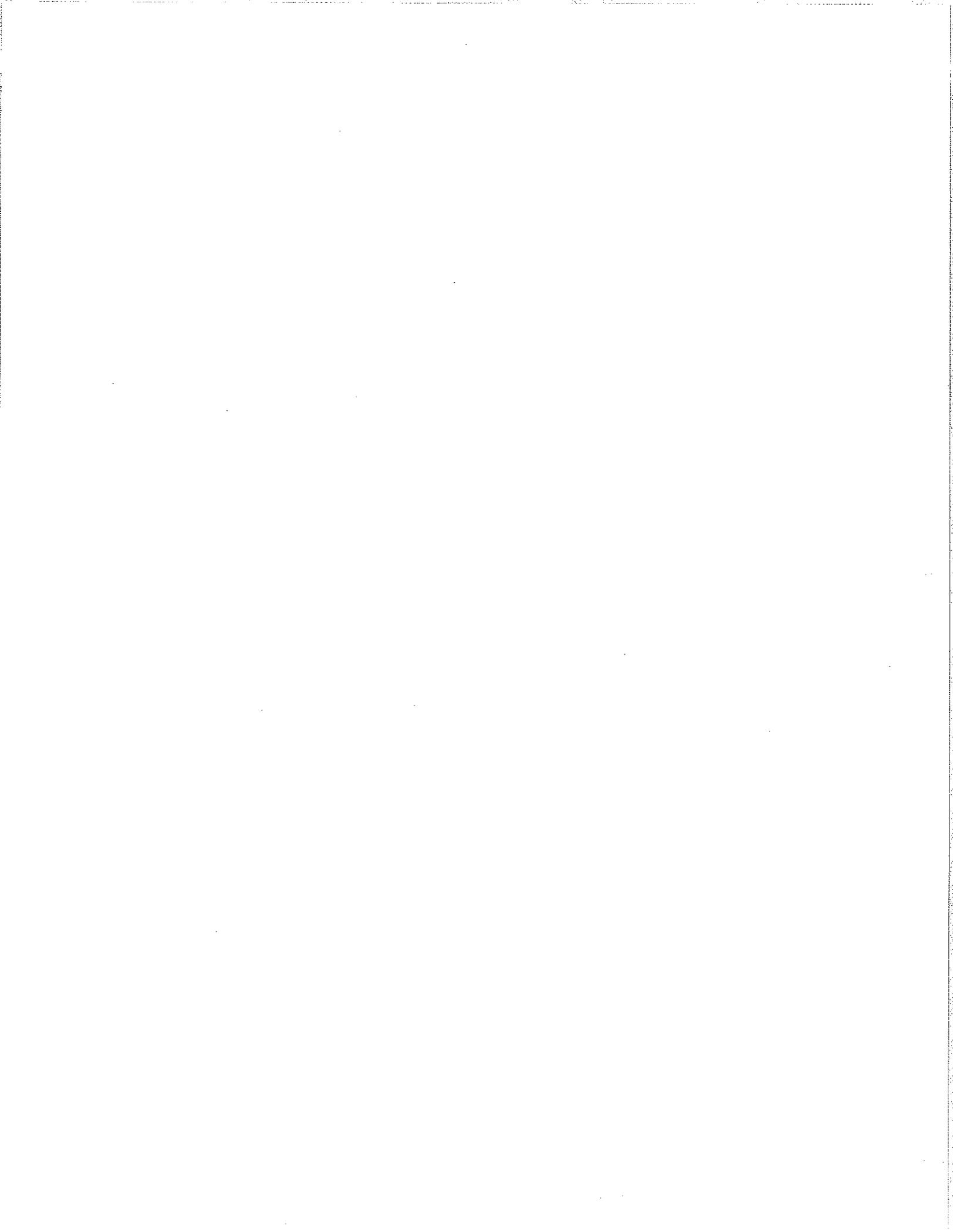
		Clark Emerson
<b>ASSETS</b>		
Cash and cash equivalents	\$	23,706
Total assets		23,706
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Interfund loans payable		3,155
Total liabilities		3,155
Fund balance:		
Nonspendable		20,530
Restricted		21
Total fund balance		20,551
<b>Total liabilities and fund balance</b>	<b>\$</b>	<b>23,706</b>

**TOWN OF YORK, MAINE**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Permanent Funds**  
**For the year ended June 30, 2012**

		Clark Emerson
<hr/>		
Revenues:		
Investment income	\$	21
Total revenues		21
<hr/>		
Expenditures:		
Current:		
Miscellaneous		-
Total expenditures		-
<hr/>		
Net change in fund balance		21
Fund balance, beginning of year		20,530
<hr/>		
<b>Fund balance, end of year</b>	<b>\$</b>	<b>20,551</b>
<hr/>		

## **NONMAJOR PROPRIETARY FUNDS**

Proprietary funds are used to report activities that are self supporting through charging users fees and other related revenues.



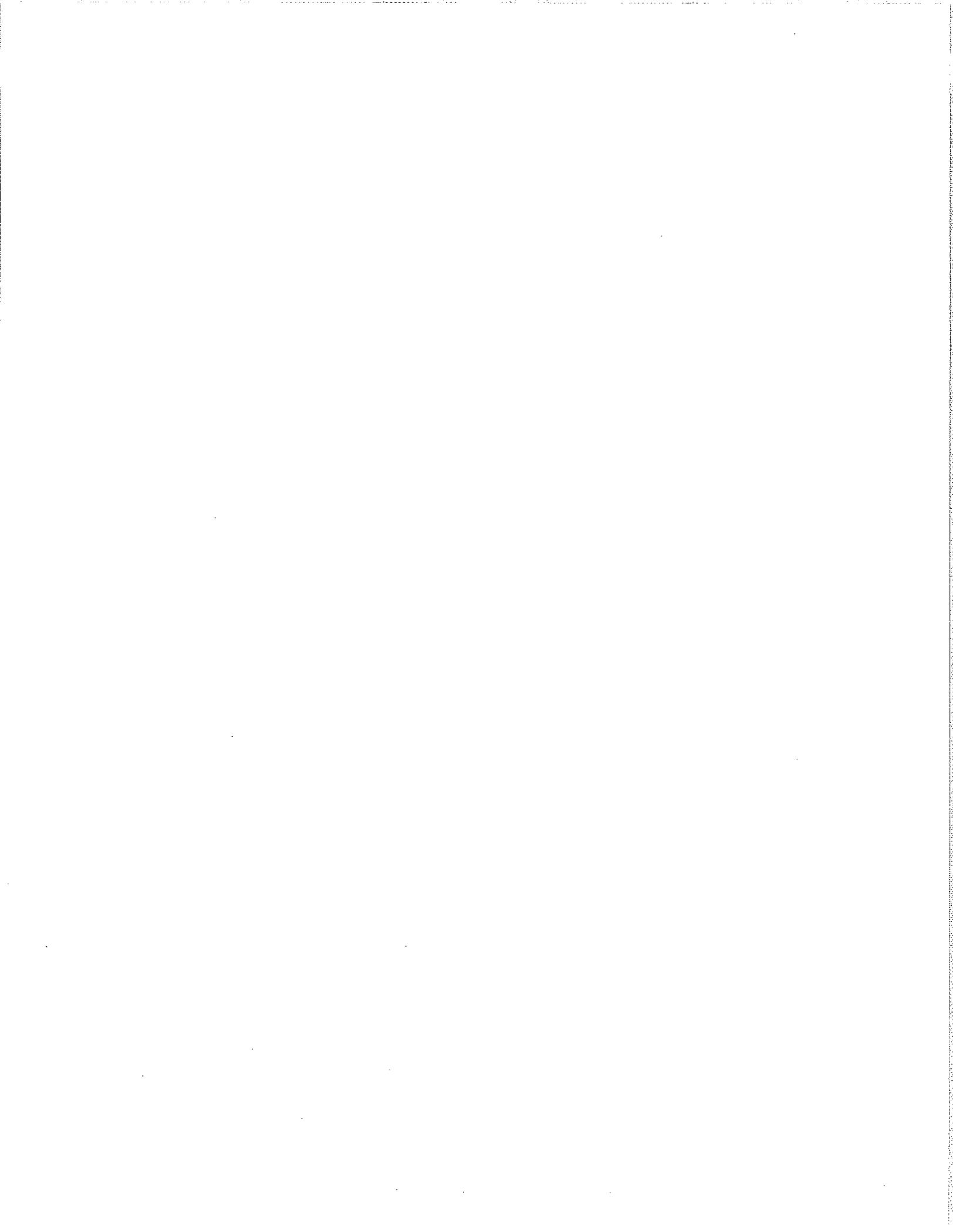
**TOWN OF YORK, MAINE**  
**Combining Statement of Net Assets**  
**Nonmajor Proprietary Funds**  
**June 30, 2012**

<b>Business-type Activities - Enterprise Funds</b>									
		Mt.	Sohier	Outside	Goodrich		Senior		
		Recreation	Agamenticus	Park	Duty	Park	Printing	Center	Totals
<b>ASSETS</b>									
Cash and cash equivalents	\$	-	-	36,299	-	-	-	550	36,849
Accounts receivable		819	-	-	13,143	-	-	-	13,962
Inventory		-	-	38,152	-	-	-	-	38,152
Interfund loan receivable		95,089	26,635	-	19,031	1,901	-	26,997	169,653
Total assets		95,908	26,635	74,451	32,174	1,901	-	27,547	258,616
<b>LIABILITIES</b>									
Accounts payable		13,687	1,213	6,246	-	157	-	5,592	26,895
Accrued payroll		14,528	-	358	-	-	-	-	14,886
Interfund loans payable		-	-	14,764	-	-	872	-	15,636
Total liabilities		28,215	1,213	21,368	-	157	872	5,592	57,417
<b>NET ASSETS</b>									
Unrestricted		67,693	25,422	53,083	32,174	1,744	(872)	21,955	201,199
Total net assets	\$	67,693	25,422	53,083	32,174	1,744	(872)	21,955	201,199

**TOWN OF YORK, MAINE**  
**Combining Statement of Revenues, Expenses and Changes in Net Assets**  
**Nonmajor Proprietary Funds**  
**For the year ended June 30, 2012**

<b>Business-type Activities - Enterprise Funds</b>								
	Recreation	Mt. Agamenticus	Sohier Park	Outside Duty	Goodrich Park	Printing	Senior Center	Totals
<b>Operating revenues:</b>								
User fees	\$ 431,055	58	810	146,218	-	-	125,704	703,845
Sponsorships/memberships	57,903	-	-	-	-	-	7,988	65,891
Gift shop sales	-	-	227,034	-	-	-	-	227,034
Rental income	-	44,628	-	-	7,200	-	-	51,828
Donations	-	22,195	8,977	-	-	-	1,875	33,047
<b>Total operating revenues</b>	<b>488,958</b>	<b>66,881</b>	<b>236,821</b>	<b>146,218</b>	<b>7,200</b>	<b>-</b>	<b>135,567</b>	<b>1,081,645</b>
<b>Operating expenses:</b>								
Cost of goods	-	-	109,465	-	-	-	32,280	141,745
Salaries and benefits	244,577	26,200	47,980	114,409	-	-	5,660	438,826
Training, meetings, and travel	3,364	3,018	1,766	-	-	-	1,092	9,240
Maintenance	528	10,913	1,431	-	475	-	1,442	14,789
Office expenses	10,429	455	2,878	-	2,265	-	1,470	17,497
Supplies	54,051	-	6,080	-	-	-	4,764	64,895
Contracts	157,665	3,308	3,290	-	5,772	-	80,080	250,115
Utilities	-	3,481	949	-	-	-	263	4,693
Fuel	-	-	-	-	-	-	2,929	2,929
Other	3,914	-	599	-	-	-	650	5,163
<b>Total operating expenses</b>	<b>474,528</b>	<b>47,375</b>	<b>174,438</b>	<b>114,409</b>	<b>8,512</b>	<b>-</b>	<b>130,630</b>	<b>949,892</b>
<b>Operating income (loss)</b>	<b>14,430</b>	<b>19,506</b>	<b>62,383</b>	<b>31,809</b>	<b>(1,312)</b>	<b>-</b>	<b>4,937</b>	<b>131,753</b>
<b>Nonoperating revenue:</b>								
Interest income	-	-	15	-	-	-	-	15
<b>Total nonoperating revenue</b>	<b>-</b>	<b>-</b>	<b>15</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15</b>
<b>Income before transfers</b>	<b>14,430</b>	<b>19,506</b>	<b>62,398</b>	<b>31,809</b>	<b>(1,312)</b>	<b>-</b>	<b>4,937</b>	<b>131,768</b>
Transfers out	-	(12,198)	(50,000)	(32,262)	-	-	-	(94,460)
<b>Change in net assets</b>	<b>14,430</b>	<b>7,308</b>	<b>12,398</b>	<b>(453)</b>	<b>(1,312)</b>	<b>-</b>	<b>4,937</b>	<b>37,308</b>
<b>Total net assets, beginning of year</b>	<b>53,263</b>	<b>18,114</b>	<b>40,685</b>	<b>32,627</b>	<b>3,056</b>	<b>(872)</b>	<b>17,018</b>	<b>163,891</b>
<b>Total net assets, end of year</b>	<b>\$ 67,693</b>	<b>25,422</b>	<b>53,083</b>	<b>32,174</b>	<b>1,744</b>	<b>(872)</b>	<b>21,955</b>	<b>201,199</b>

## **SCHEDULE**



**TOWN OF YORK**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**General Fund Reserves**  
**For year ended June 30, 2012**

	Balance beginning of year	Interest	Donations	Charges for Services	Appropriations	Expenditures	Transfers in (out)	Balance end of year
130 OT detail	\$ -	-	-	2,687	-	-	-	2,687
131 Lawns to lobsters	-	-	410	-	-	1,016	-	(606)
401 350th	5,376	2	-	-	-	-	-	5,378
402 Airport Drive	22,113	-	-	-	-	-	-	22,113
403 Academic reimbursement	6,014	2	-	-	2,000	-	-	8,016
404 Animal welfare	24,590	-	-	-	-	-	-	24,590
408 Building	41,583	17	-	-	-	-	-	41,600
410 Bog Road	19,451	8	-	-	-	-	-	19,459
412 Capital equipment	7,797	3	-	-	-	-	-	7,800
414 CEO	91,639	-	-	-	(40,784)	-	10,927	61,782
416 CMP Spur Road	9,981	4	-	-	-	-	-	9,985
418 Conservation	4,346	2	-	-	-	-	-	4,348
422 Earned time	190,897	81	-	-	20,000	20,249	-	190,729
424 Fireworks	41	-	-	-	-	-	-	41
426 York Beach fire truck	2,024	1	-	-	-	-	-	2,025
428 Fishermen's Fund	1,033	1	-	-	-	-	-	1,034
430 Fishermen's Memorial	923	1	-	-	-	-	-	924
432 GIS Fund	10,708	-	-	219	-	-	(10,927)	-
434 Goodrich Park	355	-	-	-	-	-	-	355
446 Heat	6,198	-	3,570	-	15,300	8,768	-	16,300
448 Historic markers	377	2	-	-	-	-	-	379
450 Hoist repair	1,523	-	-	1,810	-	1,851	-	1,482
454 Long Sands BH	468	-	-	-	-	-	-	468
460 Nubble Light	14,429	6	189	-	-	-	-	14,624
462 Off premise signs	4,531	2	-	-	-	-	-	4,533
464 Open space	81,898	35	-	-	-	-	-	81,933
465 Wheeler Marsh	12,976	-	-	-	-	-	-	12,976
466 PW equipment	2,888	1	-	-	-	-	-	2,889
467/489 Street openings	500	-	-	14,093	-	15,873	-	(1,280)
470 Sohler Park maintenance	282	-	-	-	-	46,539	50,000	3,743
476 Tree planting	6,323	3	-	-	-	-	-	6,326
478 Unemployment	(2,166)	-	-	-	2,000	1,423	-	(1,589)
479 Village lights	453	-	1,450	-	-	791	-	1,112
480 Wheeler trust	1,120	-	-	14,200	-	25,300	6,854	(3,126)
482 York land trust	6,854	-	-	-	-	-	(6,854)	-
<b>Total</b>	<b>\$ 577,525</b>	<b>171</b>	<b>5,619</b>	<b>33,009</b>	<b>(1,484)</b>	<b>121,810</b>	<b>50,000</b>	<b>543,030</b>

