Audited Financial Statements and
Other Financial Information

Town of Fair Haven, Vermont

June 30, 2013

RHR SMITH & COMPANY
Certified Public Accountants

Proven Expertise and Integrity

TOWN OF FAIR HAVEN, VERMONT

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JUNE 30, 2013

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INDEPENDENT AUDITORS' REPORT

August 29, 2013

Selectboard
Town of Fair Haven
Fair Haven, Vermont

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities and the aggregate remaining fund information of the Town of Fair Haven, Vermont, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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. 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. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the aggregate remaining fund information of the Town of Fair Haven, Vermont as of June 30, 2013, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 11 and budgetary comparison information on pages 41 and 42 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Fair Haven, Vermont's basic financial statements. The combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

RHR Smith & Company

Certified Public Accountants

REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013

(UNAUDITED)

The following management's discussion and analysis of the Town of Fair Haven, Vermont's financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2013. Please read it in conjunction with the Town's financial statements.

Financial Statement Overview

The Town of Fair Haven's basic financial statements include the following components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes required supplementary information which consists of the general fund and highway fund budgetary comparison schedules, and other supplementary information which includes combining and other schedules.

Basic Financial Statements

The basic financial statements include financial information in two differing views: the government-wide financial statements and the fund financial statements. These basic financial statements also include the notes to financial statements that explain in more detail certain information in the financial statements and also provide the user with the accounting policies used in the preparation of the financial statements.

Government-Wide Financial Statements

The government-wide financial statements provide a broad view of the Town's operations in a manner that is similar to private businesses. These statements provide both short-term as well as long-term information in regards to the Town's financial position. These financial statements are prepared using the accrual basis of accounting. This measurement focus takes into account all revenues and expenses associated with the fiscal year regardless of when cash is received or paid. The government-wide financial statements include the following two statements:

The Statement of Net Position – this statement presents *all* of the government's assets and liabilities with the difference being reported as net position.

The Statement of Activities – this statement presents information that shows how the government's net position changed during the period. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows.

Both of the above mentioned financial statements have separate columns for the two different types of town activities. The types of activities presented for the Town of Fair Haven are:

- *Governmental activities* – The activities in this section are mostly supported by taxes and intergovernmental revenues (federal and state grants). Most of the Town's basic services are reported in governmental activities, which include general government, public safety, public works, cemetery, air park, health and welfare, solid waste management, education, recreation, and other unclassified.

- *Business-type activities* – These activities are normally intended to recover all or a significant portion of their costs through user fees and / or charges to external users for goods and/or services. These activities for the Town of Fair Haven include the water and sewer fund and the water and sewer reserve fund.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Fair Haven, like other local governments uses fund accounting to ensure and demonstrate compliance with financial related legal requirements. All of the funds of the Town of Fair Haven can be divided into two categories: governmental funds and proprietary funds.

Governmental funds: Most of the basic services provided by the Town are financed through governmental funds. Governmental funds are used to account for essentially the same functions reported in governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources. They also focus on the balance of spendable resources available at the end of the fiscal year. Such information will be useful in evaluating the government's near-term financing requirements. This approach is known as the current financial resources measurement focus and the modified accrual basis of accounting. Under this approach revenues are recorded when cash is received or when susceptible to accrual. Expenditures are recorded when liabilities are incurred and due. These statements provide a detailed short-term view of the Town's finances to assist in determining whether there will be adequate financial resources available to meet the current needs of the Town.

Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. These

reconciliations are presented on the page immediately following each governmental fund financial statement.

The Town of Fair Haven presents only three columns in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances. The Town's major governmental funds are the general fund and the highway fund. All other funds are shown as nonmajor and are combined in the "All Nonmajor Funds" column on these statements.

The general fund and the highway fund are the only funds for which the Town legally adopted a budget. The Budgetary Comparison Schedule – Budgetary Basis – Budget and Actual – General Fund and Highway Fund provides a comparison of the original and final budget and the actual expenditures for the current year.

Proprietary Funds: The Town of Fair Haven maintains two proprietary funds, the water and sewer fund and the water and sewer reserve fund. These funds are used to show activities that operate more like those of commercial enterprises. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Like the government-wide financial statements, proprietary fund financial statements use the accrual basis of accounting. No reconciliation is needed between the government-wide financial statements for business-type activities and the proprietary fund financial statements.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and the Fund Financial Statements. The Notes to Financial Statements can be found following the Statement of Cash Flows – Proprietary Funds.

Required Supplementary Information

The basic financial statements are followed by a section of required supplementary information, which includes a Budgetary Comparison Schedule – Budgetary Basis – Budget and Actual – General Fund and Highway Fund.

Other Supplementary Information

Other supplementary information follows the required supplementary information. These combining and other schedules provide information in regards to nonmajor funds, capital asset activity and other detailed budgetary information for the general fund.

Government-Wide Financial Analysis

Our analysis below focuses on the net position, and changes in net position of the Town's governmental activities. The Town's total net position for governmental activities increased by $38,860 from $4.08 million to $4.12 million. For the business-type activities the Town's total net position increased by $69,313 from $2.93 million to $3.00 million.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements - increased for the governmental activities by $17,026 to a balance of $1,327,699 at the end of the fiscal year. For the business-type activities, the unrestricted net position increased by $55,365 to a balance of $262,734.

Table 1
Town of Fair Haven, Vermont
Net Position
June 30,

	Governmental Activities		Business-Type Activites	
	2013	2012	2013	2012
Assets:				
Current and Other Assets	$ 1,638,156	$ 1,629,334	$ 445,733	$ 221,845
Capital Assets	2,685,689	2,687,454	5,024,290	5,163,524
Total Assets	$ 4,323,845	$ 4,316,788	$ 5,470,023	$ 5,385,369
Liabilities:				
Current Liabilities	$ 68,958	$ 87,130	$ 336,439	$ 166,165
Long-term Debt Outstanding	138,861	152,492	2,131,639	2,286,572
Total Liabilities	$ 207,819	$ 239,622	$ 2,468,078	$ 2,452,737
Net Position:				
Invested in Capital Assets, Net of Related Debt	$ 2,559,689	$ 2,527,370	$ 2,739,211	$ 2,725,263
Restricted: Special Revenue Funds	79,165	91,252	-	-
Permanent Funds	149,473	147,871	-	-
Other Net Position	1,327,699	1,310,673	262,734	207,369
Total Net Position	$ 4,116,026	$ 4,077,166	$ 3,001,945	$ 2,932,632

Revenues and Expenses

Revenues for the Town's governmental activities increased by 1.22%, while total expenses increased by 1.99%. For the business-type activities revenues increased by 4.32%, while total expenses increased by .67%.

Table 2
Town of Fair Haven, Vermont
Change in Net Position
For the Years Ended June 30,

	Governmental Activities		Business-Type Activities	
	2013	2012	2013	2012
Revenues				
Taxes	$ 1,598,781	$ 3,534,880	$ -	$ -
Intergovernmental	427,789	324,278	-	-
Charges for services	260,592	265,231	778,834	782,810
Miscellaneous	79,677	140,404	50,544	12,242
Total Revenues	2,366,839	4,264,793	829,378	795,052
Expenses				
General government	284,682	261,110	-	-
Public safety	445,397	494,674	-	-
Public works	791,365	620,626	-	-
Cemetery	25,073	33,894	-	-
Air park	1,301	1,878	-	-
Health and welfare	2,680	2,861	-	-
Solid waste management	213,315	224,565	-	-
Education	-	1,833,409	-	-
Recreation	53,048	67,807	-	-
Intergovernmental	10,661	10,287	-	-
Judgements and damages	1,148	6,714	-	-
Benefits	288,693	280,740	-	-
Voter appropriations	141,591	139,731	-	-
Other	18,363	24,019	-	-
Interest on long-term debt	5,847	3,248	-	-
Water and sewer	-	-	788,565	783,294
Capital outlay	16,315	160,325	-	-
Total Expenses	2,299,479	4,165,888	788,565	783,294
Transfers	(28,500)	-	28,500	-
Change in Net Position	38,860	98,905	69,313	11,758
Net Position - July 1	4,077,166	3,978,261	2,932,632	2,920,874
Net Position - June 30	$ 4,116,026	$ 4,077,166	$ 3,001,945	$ 2,932,632

Financial Analysis of the Town's Fund Statements

Governmental funds: The financial reporting focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information may be useful in assessing the Town's financial requirements. In particular, unassigned fund balance may serve as a useful measure of a government's financial position at the end of the year, and the net resources available for spending.

Table 3
Town of Fair Haven, Vermont
Fund Balances - Governmental Funds
June 30,

	2013	2012
General Fund:		
Assigned	$ 190,508	$ 155,841
Unassigned	29,641	185,720
Total General Fund	$ 220,149	$ 341,561
Highway Fund:		
Assigned	$ 45,000	$ -
Unassigned	78,348	89,491
Total Highway Fund	$ 123,348	$ 89,491
Nonmajor Funds:		
Special Revenue Funds:		
Restricted	$ 79,165	$ 91,252
Committed	293,938	245,086
Assigned	926	926
Capital Project Funds		
Committed	456,486	466,240
Permanent Funds		
Restricted	149,473	147,871
Total Nonmajor Funds	$ 979,988	$ 951,375

The general fund total fund balance decreased by $121,412 over the prior fiscal year. The highway fund total fund balance increased by $33,857. The non-major fund balances increased by $28,613 over the prior fiscal year. The decrease in the general fund was mainly due to a budgeted use of fund balance of $127,216. Most of the increase in the highway fund came as a result of under-spent appropriations in total. The increase in the non-major fund balances came as a result of revenues and transfers from other funds in excess of expenditures.

Proprietary funds: The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The water and sewer fund had an excess for the year of $41,616 compared with a deficit of $12,552 last year. The water and sewer reserve fund had an excess of $27,697 compared with an excess of $24,310 for last year.

Budgetary Highlights

There was no significant difference between the original and final budget for the general fund or the highway fund.

The general fund actual revenues were less than budget by $68,869. This was a result of property taxes and charges for services being significantly under budget. The highway fund actual revenues were more than budget by $5,323.

The general fund actual expenditures were under the budget by $74,673. The highway fund actual expenditures were under the budget by $28,534. There were minor over-expenditures in both the general fund and highway fund.

Capital Asset and Debt Administration

Capital Assets

As of June 30, 2013, the net book value of capital assets recorded by the Town decreased by $140,999 over the prior year. The decrease is the result of current year additions of $192,474 less current year depreciation of $333,473.

Table 4
Town of Fair Haven, Vermont
Capital Assets (Net of Depreciation)
June 30,

	2013	2012
Land	$ 35,837	$ 35,837
Buildings	1,779,266	1,845,385
Building improvements	127,863	133,409
Equipment	338,689	324,653
Vehicles	352,036	457,941
Infrastructure	5,076,288	5,053,753
Total	$ 7,709,979	$ 7,850,978

Debt

At June 30, 2013, the Town had $2,411,079 in notes and bonds outstanding versus $2,598,345 last year, a decrease of 7.21%. Refer to Note 5 of the Notes to Financial Statements for detailed information.

Currently Known Facts, Decisions, or Conditions

Economic Factors and Next Year's Budgets and Rates

The Town’s unassigned fund balance has fallen below the level to sustain government operations for a period of approximately two months while also maintaining significant reserves for future operations, capital and program needs.

Contacting the Town's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town Office at 3 North Park Place, Fair Haven, Vermont 05743.

STATEMENT A

TOWN OF FAIR HAVEN, VERMONT

STATEMENT OF NET POSITION
JUNE 30, 2013

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash	$ 1,157,344	$ 318,899	$ 1,476,243
Investments	147,774	-	147,774
Accounts receivable (net of allowance for uncollectibles):			
Delinquent taxes receivable	301,665	-	301,665
Penalties receivable	16,999	-	16,999
Other	60,151	81,057	141,208
Internal balances	(45,777)	45,777	-
Total current assets	1,638,156	445,733	2,083,889
Noncurrent assets:			
Capital assets:			
Land, infrastructure, and other assets not being depreciated	35,085	752	35,837
Buildings and vehicles net of accumulated depreciation	2,650,604	5,023,538	7,674,142
Total noncurrent assets	2,685,689	5,024,290	7,709,979
TOTAL ASSETS	$ 4,323,845	$ 5,470,023	$ 9,793,868
LIABILITIES			
Current liabilities:			
Accounts payable	$ 21,277	$ 10,891	$ 32,168
Accrued payroll	23,900	-	23,900
Other accrued payables	8,031	5,108	13,139
Bond anticipation note	-	167,000	167,000
Current portion of long-term obligations	15,750	153,440	169,190
Total current liabilities	68,958	336,439	405,397
Noncurrent liabilities:			
Noncurrent portion of long-term obligations:			
Bonds payable	110,250	2,131,639	2,241,889
Accrued compensated absences	28,611	-	28,611
Total noncurrent liabilities	138,861	2,131,639	2,270,500
TOTAL LIABILITIES	207,819	2,468,078	2,675,897
NET POSITION			
Invested in capital assets, net of related debt	2,559,689	2,739,211	5,298,900
Restricted	228,638	-	228,638
Unrestricted	1,327,699	262,734	1,590,433
TOTAL NET POSITION	4,116,026	3,001,945	7,117,971
TOTAL LIABILITIES AND NET POSITION	$ 4,323,845	$ 5,470,023	$ 9,793,868

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

TOWN OF FAIR HAVEN, VERMONT

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013

		Program Revenues			Net (Expense) Revenue & Changes in Net Assets		
Functions/Programs	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	$ 284,682	$ 32,047	$ 12,245	$ -	$ (240,390)	$ -	$ (240,390)
Public safety	445,397	64,403	15,950	-	(365,044)	-	(365,044)
Public works	791,365	152,817	391,528	-	(247,020)	-	(247,020)
Cemetery	25,073	9,175	-	-	(15,898)	-	(15,898)
Air park	1,301	-	-	-	(1,301)	-	(1,301)
Health and welfare	2,680	2,150	-	-	(530)	-	(530)
Solid waste management	213,315	-	-	-	(213,315)	-	(213,315)
Education	-	-	-	-	-	-	-
Recreation	53,048	-	-	-	(53,048)	-	(53,048)
Intergovernmental	10,661	-	-	-	(10,661)	-	(10,661)
Judgements and damages	1,148	-	-	-	(1,148)	-	(1,148)
Benefits	288,693	-	-	-	(288,693)	-	(288,693)
Voter appropriations	141,591	-	-	-	(141,591)	-	(141,591)
Other	18,363	-	8,066	-	(10,297)	-	(10,297)
Interest on long-term debt	5,847	-	-	-	(5,847)	-	(5,847)
Capital outlay	16,315	-	-	-	(16,315)	-	(16,315)
Total governmental activities	2,299,479	260,592	427,789	-	(1,611,098)	-	(1,611,098)
Business-type activities:							
Water and sewer funds	745,165	778,834	-	-	-	33,669	33,669
Water and sewer reserve funds	43,400	-	-	-	-	(43,400)	(43,400)
Total business-type activities	788,565	778,834	-	-	-	(9,731)	(9,731)
Total government	$ 3,088,044	$ 1,039,426	$ 427,789	$ -	(1,611,098)	(9,731)	(1,620,829)

TOWN OF FAIR HAVEN, VERMONT

STATEMENT OF ACTIVITIES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2013

	Governmental Activities	Business-type Activities	Total
Changes in net position:			
Net (expense) revenue	(1,611,098)	(9,731)	(1,620,829)
General revenues:			
Taxes			
Property taxes, levied for general purposes	1,598,781	-	1,598,781
Miscellaneous	79,677	50,544	130,221
Total general revenues	1,678,458	50,544	1,729,002
Transfers	(28,500)	28,500	-
Change in net position	38,860	69,313	108,173
NET POSITION - JULY 1	4,077,166	2,932,632	7,009,798
NET POSITION - JUNE 30	$ 4,116,026	$ 3,001,945	$ 7,117,971

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

STATEMENT C

TOWN OF FAIR HAVEN, VERMONT

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2013

	General Fund	Highway Fund	All Nonmajor Funds	Total
ASSETS				
Cash	$ 417,670	$ -	$ 739,674	$ 1,157,344
Investments	-	-	147,774	147,774
Receivables (net of allowance for uncollectibles):				
Delinquent taxes receivable	301,665	-	-	301,665
Penalties receivable	16,999	-	-	16,999
Other	239	-	59,912	60,151
Due from other funds	722,371	133,092	783,612	1,639,075
TOTAL ASSETS	$ 1,458,944	$ 133,092	$ 1,730,972	$ 3,323,008
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	$ 10,514	$ 2,734	$ 8,029	$ 21,277
Accrued payroll	16,890	7,010	-	23,900
Other accrued payables	8,031	-	-	8,031
Due to other funds	941,897	-	742,955	1,684,852
TOTAL LIABILITIES	977,332	9,744	750,984	1,738,060
DEFERRED INFLOWS OF RESOURCES				
Deferred tax revenues	261,463	-	-	261,463
TOTAL DEFERRED INFLOWS OF RESOURCES	261,463	-	-	261,463
Fund Balances				
Restricted	-	-	228,638	228,638
Committed	-	-	750,424	750,424
Assigned	190,508	45,000	926	236,434
Unassigned	29,641	78,348	-	107,989
TOTAL FUND BALANCES	220,149	123,348	979,988	1,323,485
TOTAL LIABILITIES, FUND BALANCES AND DEFERRED INFLOWS OF RESOURCES	$ 1,458,944	$ 133,092	$ 1,730,972	$ 3,323,008

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

STATEMENT D

TOWN OF FAIR HAVEN, VERMONT

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2013

	Total Governmental Funds
Total Fund Balances	$ 1,323,485
Amounts reported for governmental activities in the statement are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation	2,685,689
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds shown above:	
Taxes and liens receivable	261,463
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Bonds payable	(126,000)
Accrued compensated absences	(28,611)
Net position of governmental activities	$ 4,116,026

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

TOWN OF FAIR HAVEN, VERMONT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	General Fund	Highway Fund	All Nonmajor Funds	Totals Governmental Funds
REVENUES				
Taxes	$ 1,161,464	$ 371,185	$ -	$ 1,532,649
Intergovernmental	-	87,727	340,062	427,789
Charges for services	260,592	-	-	260,592
Miscellaneous revenues	19,584	1,596	58,497	79,677
TOTAL REVENUES	1,441,640	460,508	398,559	2,300,707
EXPENDITURES				
Current:				
General government	276,993	-	2,195	279,188
Public safety	346,301	-	31,117	377,418
Public works	-	426,651	303,801	730,452
Cemetery	24,066	-	417	24,483
Air park	1,301	-	-	1,301
Health and welfare	2,680	-	-	2,680
Solid waste management	210,005	-	-	210,005
Education	-	-	-	-
Recreation	51,224	-	-	51,224
Intergovernmental	10,661	-	-	10,661
Judgements and damages	1,148	-	-	1,148
Benefits	288,693	-	-	288,693
Voter appropriations	141,591	-	-	141,591
Other	-	-	18,363	18,363
Debt service	21,597	-	-	21,597
Capital outlay	-	-	172,345	172,345
TOTAL EXPENDITURES	1,376,260	426,651	528,238	2,331,149
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	65,380	33,857	(129,679)	(30,442)
OTHER FINANCING SOURCES (USES)				
Transfers in	7,706	-	165,998	173,704
Transfers (out)	(194,498)	-	(7,706)	(202,204)
TOTAL OTHER FINANCING SOURCES (USES)	(186,792)	-	158,292	(28,500)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES)	(121,412)	33,857	28,613	(58,942)
FUND BALANCES - JULY 1	341,561	89,491	951,375	1,382,427
FUND BALANCES - JUNE 30	$ 220,149	$ 123,348	$ 979,988	$ 1,323,485

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

STATEMENT F

TOWN OF FAIR HAVEN, VERMONT

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, 2013

Net change in fund balances - total governmental funds (Statement E)	$ (58,942)
Amounts reported for governmental activities in the Statement of Activities (Statement B) are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocated those expenditures over the life of the assets:	
Capital asset purchases	156,030
Depreciation expense	(157,795)
	(1,765)
Revenues in the Statement of Activities that do not provide current financial resources are not reported.	
Taxes and liens receivable	66,132
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position	34,084
Debt proceeds provide current financial resources to govermental funds, but issuing debt increases long-term liabilities in the Statement of Net Position	-
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in govermental funds:	
Accrued compensated absences	(649)
Change in net position of governmental activities (Statement B)	$ 38,860

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

STATEMENT G

TOWN OF FAIR HAVEN, VERMONT

BALANCE SHEET – PROPRIETARY FUNDS
JUNE 30, 2013

	Enterprise Funds		
	Water & Sewer Fund	Water & Sewer Reserve Fund	Total
ASSETS			
Current assets:			
Cash	$ -	$ 318,899	$ 318,899
Accounts receivable (net of allowance)	81,057	-	81,057
Due from other funds	45,777	-	45,777
Total current assets	126,834	318,899	445,733
Capital assets:			
Sewer assets	5,457,656	-	5,457,656
Water assets	3,273,610	-	3,273,610
Total capital assets	8,731,266	-	8,731,266
Less: accumulated depreciation	(3,706,976)	-	(3,706,976)
Net capital assets	5,024,290	-	5,024,290
TOTAL ASSETS	$ 5,151,124	$ 318,899	$ 5,470,023
LIABILITIES AND NET POSITION			
Current liabilities:			
Accounts payable	$ 10,891	$ -	$ 10,891
Accrued expenses	5,108	-	5,108
Bond anticipation note	-	167,000	167,000
Current portion of long-term liabilities	153,440	-	153,440
Total current liabilities	169,439	167,000	336,439
Long-term liabilities:			
Bonds payable, net of current portion	2,131,639	-	2,131,639
Total long-term liabilities	2,131,639	-	2,131,639
Total liabilities	2,301,078	167,000	2,468,078
NET POSITION			
Invested in capital assets, net of related debt	2,739,211	-	2,739,211
Unrestricted	110,835	151,899	262,734
TOTAL NET POSITION	2,850,046	151,899	3,001,945
TOTAL LIABILITIES AND NET POSITION	$ 5,151,124	$ 318,899	$ 5,470,023

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

TOWN OF FAIR HAVEN, VERMONT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Enterprise Funds		
	Water & Sewer Fund	Water & Sewer Reserve Fund	Total
OPERATING REVENUES			
Charges for services	$ 778,834	$ -	$ 778,834
Other	49,947	500	50,447
TOTAL OPERATING REVENUES	828,781	500	829,281
OPERATING EXPENSES			
Payroll	236,960	-	236,960
Supplies	58,587	-	58,587
Purchased services	19,064	-	19,064
Repairs and maintenance	7,076	-	7,076
Utilities	80,940	-	80,940
Bio-solid management	44,438	-	44,438
Benefits	91,638	-	91,638
Miscellaneous	4,410	43,400	47,810
Depreciation	175,678	-	175,678
TOTAL OPERATING EXPENSES	718,791	43,400	762,191
OPERATING INCOME (LOSS)	109,990	(42,900)	67,090
NON-OPERATING INCOME (EXPENSE)			
Interest income	-	97	97
Interest expense	(26,374)	-	(26,374)
Transfers in	-	70,500	70,500
Transfers (out)	(42,000)	-	(42,000)
NET NON-OPERATING INCOME (EXPENSE)	(68,374)	70,597	2,223
CHANGE IN NET POSITION	41,616	27,697	69,313
NET POSITION - JULY 1	2,808,430	124,202	2,932,632
NET POSITION - JUNE 30	$ 2,850,046	$ 151,899	$ 3,001,945

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

TOWN OF FAIR HAVEN, VERMONT

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Enterprise Funds		
	Water & Sewer Fund	Water & Sewer Reserve Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers	$ 821,402	$ 500	$ 821,902
Internal activity - receipts (payments) from/to other funds	(21,812)	-	(21,812)
Payments to suppliers	(304,630)	(43,400)	(348,030)
Payments to employees	(236,960)	-	(236,960)
Net cash provided (used) by operating activities	258,000	(42,900)	215,100
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest income	-	97	97
Net cash provided by investing activities	-	97	97
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Purchase of capital assets	(36,444)	-	(36,444)
Transfer to/from reserve fund	(42,000)	70,500	28,500
Proceeds from bond anticipation note	-	167,000	167,000
Principal payments on bonds and notes payable	(153,182)	-	(153,182)
Interest payments on bonds and notes payable	(26,374)	-	(26,374)
Net cash provided (used) by capital and related financing activities	(258,000)	237,500	(20,500)
NET CHANGE IN CASH	-	194,697	194,697
CASH - JULY 1	-	124,202	124,202
CASH - JUNE 30	$ -	$ 318,899	$ 318,899

TOWN OF FAIR HAVEN, VERMONT

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Enterprise Funds		
	Water & Sewer Fund	Water & Sewer Reserve Fund	Total
RECONCILIATION OF OPERATING (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating (loss)	$ 109,990	$ (42,900)	$ 67,090
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation expense	175,678	-	175,678
Changes in operating assets and liabilities:			
(Increase) decrease in accounts receivable	(7,379)	-	(7,379)
(Increase) decrease in due from other funds	(21,812)	-	(21,812)
Increase (decrease) in accounts payable	1,081	-	1,081
Increase (decrease) in accrued expenses	442	-	442
Increase (decrease) in due to other funds	-	-	-
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 258,000	$ (42,900)	$ 215,100
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:			
Cash paid during the year for:			
Interest	$ 26,374	$ -	$ 26,374

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Town of Fair Haven was incorporated under the laws of the State of Vermont. The Town operates under the Selectboard-manager form of government and provides the following services: general government, public safety, public works, cemetery, air park, health and welfare, solid waste management, education, recreation, and other unclassified.

The Town's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. Although the Town has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the Town has chosen not to do so.

The Town's combined financial statements include all accounts and all operations of the Town. We have determined that the Town has no component units as described in GASB Statement No. 14 and amended by GASB Statement No. 39.

Government–Wide and Fund Financial Statements

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds).

Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Town's water and sewer fund and the water and sewer reserve funds are categorized as business-type activities. All other activities of the Town are categorized as governmental.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are (a) presented on a consolidated basis by column, and (b) are reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Town's net position are reported in three parts - invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The Town first utilizes restricted resources to finance qualifying activities.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The government-wide Statement of Activities reports both the gross and net cost of each of the Town's functions and business-type activities (general government, protection, etc.). The functions are also supported by general government revenues (property taxes, certain intergovernmental revenues, miscellaneous revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. For the most part, the interfund activity has been eliminated from these government-wide financial statements.

The net costs (by function) are normally covered by general revenue (taxes, certain intergovernmental revenues and charges for services, etc.).

The Town does not allocate indirect costs. All costs are charged directly to the corresponding department.

The government-wide focus is more on the sustainability of the Town as an entity and the change in the Town's net position resulting from the current year's activities.

Measurement Focus - Basic Financial Statements & Fund Financial Statements

The financial transactions of the Town are reported in the individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the Town:

1. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Town:

a. The General Fund and the Highway Fund are the general operating funds of the Town. They are used to account for all financial resources except those required to be accounted for in another fund.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

c. Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities or equipment.

d. Permanent Funds are used to account for assets held by the Town pursuant to a trust agreement. The principal portion of this fund type must remain intact, but the earnings may be used to achieve the objectives of the fund.

2. Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. Operating revenues include charges for services, intergovernmental reimbursements and other miscellaneous fees which are a direct result of the proprietary activity. Non-operating revenues are any revenues which are generated outside of the general proprietary activity, i.e. interest income. The following is a description of the proprietary funds of the Town:

a. Enterprise Funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of net revenues, (b) has third party requirements that the cost of providing. services, including capital costs, be recovered with fees and charges or (c) established fees and charges based on a pricing policy designed to recover similar costs.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Non-major funds by category are summarized into a single column, GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenses of either the fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting

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

1. Accrual

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

2. Modified Accrual

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

Budget

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

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

1. Early in the second half of the year the Town prepares a budget for the fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them.

2. A meeting of the inhabitants of the Town was called for the purpose of adopting the proposed budget after public notice of the meeting was given.

3. The budget was adopted subsequent to passage by the inhabitants of the Town.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. The Town does not adopt budgets for Special Revenue Funds.

Deposits and Investments

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

It is the Town's policy to value investments at fair value. None of the Town's investments are reported at amortized cost. The Town Treasurer is authorized by State Statutes to invest all excess funds in the following:

- Obligations of the U.S. Government, its agencies and instrumentalities.
- Certificates of deposits and other evidences of deposits at banks, savings and loan associations, and credit unions.
- Repurchase agreements
- Money market mutual funds

The Town of Fair Haven has a formal investment policy which follows the State of Vermont Statutes.

Inventories

Inventories of supplies are considered to be expenditures at the time of purchase and are not included in the general fund balance sheet.

Interfund Receivables and Payables

Any residual balances outstanding between governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances". Interfund balances and transactions have been eliminated in the government-wide financial statements.

Transactions Between Funds

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of both Governmental and Proprietary Funds.

Allowance for Uncollectible Accounts

The allowance for uncollectible accounts for the ambulance receivables is estimated to be $0 as of June 30, 2013.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets purchased or acquired with an original cost of $5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Infrastructure such as streets, traffic signals, and signs are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives.

The assets are valued at historical cost when available and estimated historical cost where actual invoices or budgetary data was unavailable. Donated fixed assets are valued at their estimated fair market value on the date received. All retirements have been recorded by eliminating the net carrying values.

Infrastructure assets include roads, bridges, underground pipe (other than related to independently owned utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the Town. The Town has not retroactively recorded infrastructure.

Estimated useful lives are as follows:

Buildings and improvements	10 - 70 years
Infrastructure	20 - 50 years
Machinery and equipment	5 - 30 years
Vehicles	5 - 30 years

Long-term Obligations

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in government-wide statements. The long-term debt consists primarily of notes or bonds payable, compensated absences and retirement benefits.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary fund is the same in the fund statements as it is in the government-wide statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

The Town's policies regarding vacation and sick time permit employees to accumulate earned but unused vacation and sick leave. The liability for these compensated absences is recorded as long-term debt in the government-wide financial statements. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources, while the proprietary funds report the liability as it is incurred. As of June 30, 2013, the Town's liability for compensated absences is $28,611.

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislations adopted by the Town or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or restricted net position.

Fund Balances

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

Nonspendable – This includes amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact.

Restricted – This includes amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Committed – This includes amounts that can be used only for specific purposes determined by a formal action of the inhabitants of the Town. The inhabitants of the Town through Town meetings are the highest level of decision-making authority of the Town. Commitments may be established, modified, or rescinded only through a Town meeting vote.

Assigned – This includes amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The authority for assigning fund balance is expressed by the Selectboard.

Unassigned – This includes all other spendable amounts. The general fund is the only fund that reports a positive unassigned fund balance amount. Other governmental funds besides the general fund can only report a negative unassigned fund balance amount.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Town meeting vote has provided otherwise in its commitment or assignment actions.

The Town is in the process of adopting a set of financial policies to guide the financial operation of the Town. Included in the policies will be guidelines for accumulating and maintaining an operating position in certain budgeted governmental funds such that annual expenditures shall not exceed annual resources, including fund balances. Other funds shall be fully self-supporting to the extent that the fund balance or retained earnings of each fund shall be zero or greater.

Revenue Recognition - Property Taxes - Modified Accrual Basis

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

Program Revenues

Program revenues include all directly related income items applicable to a particular program (grant income/expenses).

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Operating/Non-Operating Proprietary Fund Revenues

Operating revenues consist mainly of direct revenue sources and/or charges for services applicable to that fund.

Encumbrance Accounting

Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year-end. The Town does not utilize encumbrance accounting for its general fund.

Use of Estimates

During the preparation of the Town's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingent items as of the date of the financial statements and the reported amounts of revenues and expenses / expenditures during the reporting period. Actual results may differ from these estimates.

NOTE 2 - CASH AND INVESTMENTS

The Town's investment policies, which follow state statutes, authorize the Town to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other states and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Vermont, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. These investment policies apply to all Town funds.

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the Town will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. The Town does not have a policy covering custodial credit risk.

At June 30, 2013, the Town's cash balance of $1,476,243 was comprised of deposits amounting to $1,556,125. Of these deposits, $1,556,125 was insured by federal depository insurance and consequently was not exposed to custodial credit risk and $0 that was in excess of federal depository insurance, and therefore, not insured or collateralized.

NOTE 2 - CASH AND INVESTMENTS (CONTINUED)

Account Type	Bank Balance
Checking accounts	$ 1,547,071
Money market accounts	9,054
	$ 1,556,125

At June 30, 2013, the Town's investments of $147,774 were comprised of government securities that were not exposed to custodial credit risk.

Account Type	Balance	Current	1 Year	2 - 5 Years
Government securities	$ 147,774	N/A	$ -	$ -

The Town has determined that it has complied with state and federal laws governing the investment of public funds.

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at June 30, 2013 consisted of the following individual fund receivables and payables.

	Receivables (Due from)	Payables (Due to)
General Fund	$ 722,371	$ 941,897
Highway Fund	133,092	-
Special Revenue Funds	366,861	57,320
Capital Project Funds	396,167	665,051
Permanent Funds	20,584	20,584
Enterprise Funds	45,777	-
	$ 1,684,852	$ 1,684,852

NOTE 4 - CAPITAL ASSETS

The following is a summary of changes in capital assets at June 30, 2013:

	Balance, 7/1/12	Additions	Disposals	Balance, 6/30/13
Governmental activities				
Non-depreciated assets:				
Land	$ 35,085	$ -	$ -	$ 35,085
	35,085	-	-	35,085
Depreciated assets:				
Buildings	36,939	-	-	36,939
Building improvements	85,218	-	-	85,218
Equipment	472,857	12,110	-	484,967
Vehicles	1,486,395	-	-	1,486,395
Infrastructure	2,000,860	143,920	-	2,144,780
	4,082,269	156,030	-	4,238,299
Less: accumulated depreciation	(1,429,900)	(157,795)	-	(1,587,695)
	2,652,369	(1,765)	-	2,650,604
Net governmental capital assets	$ 2,687,454	$ (1,765)	$ -	$ 2,685,689
Business-type activities				
Non-depreciated assets:				
Land	$ 752	$ -	$ -	$ 752
	752	-	-	752
Depreciated assets:				
Buildings	3,539,391	-	-	3,539,391
Building improvements	81,209	-	-	81,209
Equipment	158,811	36,444	-	195,255
Vehicles	97,174	-	-	97,174
Infrastructure	4,817,485	-	-	4,817,485
	8,694,070	36,444	-	8,730,514
Less: accumulated depreciation	(3,531,298)	(175,678)	-	(3,706,976)
	5,162,772	(139,234)	-	5,023,538
Net business-type capital assets	$ 5,163,524	$ (139,234)	$ -	$ 5,024,290
General government				$ 4,845
Public safety				67,979
Public works				79,247
Solid waste management				3,310
Cemetery				590
Recreation				1,824
				157,795
Water and Sewer Fund				175,678
Total depreciation expense				$ 333,473

NOTE 5 - LONG TERM DEBT

The following is a summary of changes in the long-term debt for the year ended June 30, 2013:

	Balance, 7/1/12	Additions	Deletions	Balance, 6/30/13	Current Portion
Bonds payable	$ 2,580,011	$ -	$ (168,932)	$ 2,411,079	$ 169,190
Notes payable	18,334	-	(18,334)	-	-
Accrued compensated absences	27,962	649	-	28,611	-
Totals	$ 2,626,307	$ 649	$ (187,266)	$ 2,439,690	$ 169,190

The following is a summary of outstanding notes and bonds payable:

Bonds payable:	
$157,500, 2011 General Obligation Bonds payable to the United States Department of Agriculture, due in annual payments of $15,750, through April of 2021. Interest is charged at a rate of 4.125% per annum.	$ 126,000
Total governmental activities - bonds	126,000
$731,213, 1992 General Obligation Bonds payable to Vermont Municipal Bond Bank, due in annual payments varying from $34,014 to $61,646, through December of 2018. Interest is charged at a rate varying from 5.80% to 7.654% per annum.	285,298
$536,383, 2001 General Obligation Bonds payable to Vermont Municipal Bond Bank, Environmental Protection Agency Pollution Control Revolving Fund, due in annual principal payments of $26,819, through October of 2022. No interest is charged.	268,192
$1,946,681, 2009 General Obligation Bonds payable to Vermont Municipal Bond Bank, Vermont Drinking Water State Revolving Fund, due in annual payments of $39,097, through July of 2039. Interest is charged at a rate of 3.0% per annum.	1,626,529
$108,000, 2011 General Obligation Bonds payable to the United States Department of Agriculture, due in semi-annual payments of $2,328, through December of 2050. Interest is charged at a rate of 3.00% per annum.	105,060
Total business-type activities - bonds payable	2,285,079
Total bonds payable	$ 2,411,079

NOTE 5 - LONG TERM DEBT (CONTINUED)

The following is a summary of outstanding note and bond principal and interest requirements for the next five fiscal years ending June 30:

	Principal	Interest	Total Debt Service
2014	$ 169,190	$ (18,525)	$ 150,665
2015	169,789	(19,720)	150,069
2016	170,720	(21,246)	149,474
2017	172,004	(23,118)	148,886
2018	173,661	(25,357)	148,304
2019-2023	596,970	(63,457)	533,513
2024-2028	310,554	(44,981)	265,573
2029-2033	269,950	(20,062)	249,888
2034-2038	235,611	(1,166)	234,445
2039-2043	109,880	5,138	115,018
2044-2048	19,653	3,628	23,281
2049-2053	13,097	693	13,790
	$ 2,411,079	$ (228,173)	$ 2,182,906

All bonds payable are direct obligations of the Town, for which its full faith and credit are pledged. The Town is not obligated for any special assessment debt. All debt is payable from taxes levied on all taxable property within the Town.

NOTE 6 - SHORT-TERM DEBT

The Town entered into a bond anticipation note as of August 10, 2012 for $167,000. Interest is charged at an annual rate of 1.75%. Maturity is on July 26, 2013.

NOTE 7 - RESTRICTED NET POSITION

The following net position has been restricted at June 30, 2013 for the following purposes:

Restricted for special revenue funds	$ 79,165
Restricted for permanent funds	149,473
	$ 228,638

NOTE 8 - RESTRICTED FUND BALANCES

At June 30, 2013, the restricted fund balances were made up of the following account balances:

Local Law Enforcement Grant	$	5,250
Jaws of Life		987
Grants - Planning		69,794
Airport Park		3,134
Cedar Grove Cemetery		129,939
West Street Cemetery		16,703
Fair Haven Free Library		2,831
	$	228,638

NOTE 9 - COMMITTED FUND BALANCES

At June 30, 2013, the committed fund balances were made up of the following account balances carried forward into the subsequent year's budget:

Highway Fund	$	-
Reappraisal		113,761
Fire Emergency Reserve		180,177
Municipal Building		42,340
Public Works Equipment Replacement		34,622
Fire Equipment Replacement		109,521
Police Cruiser Replacement		23,482
Streets/Sidewalks		95,962
Transfer Station		46,551
Recreation Department		17,979
Bridge Repair		24,476
Hydro Dam Study		10,871
Listers Equipment/Education		15,407
Park Fence		1,478
Records Restoration		9,767
COPS Match Reserve		14,028
Recreation Building Reserve		1,000
Town Garage Reserve		5,001
Marketing Reserve		4,001
	$	750,424

NOTE 10 - ASSIGNED FUND BALANCES

At June 30, 2013, the assigned fund balance was made up of the following account balances carried forward into the subsequent year's budget:

General Fund - amount used in 2013/2014 budget	$ 220,149
Community Garden	926
	$ 221,075

NOTE 11 - EXPENDITURES OVER APPROPRIATIONS

There were no appropriations that were exceeded by actual expenditures.

NOTE 12 - DEFICIT FUND BALANCES

There were no funds with deficit fund balances as of June 30, 2013.

NOTE 13 - PENSION PLAN

VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM

Employees are eligible to participate in the Vermont Municipal Employees' Retirement System (VMERS). All full-time employees of participating employers are eligible to participate in the plan on the first day of the month following the completion of one year of service. There are four levels of contributions and benefits in the System called Group A, Group B, Group C and Group D. The Town participates in Groups A, B, and C. Normal retirement for Group A members is age 65 or the completion of five years of service, whichever is later. Normal retirement for Group B members is age 62 and the completion of five years of creditable service. Normal retirement for Group C and D members is age 55 and the completion of five years of creditable service. A member may receive reduced benefits at age 55 if they have five years of service and have made contributions for at least two and a half years.

The System is an actuarial reserve, joint-contributory program. Both the members and the Town make contributions to the fund according to the following schedule:

	Group A	Group B	Group C	Group D
Employees' contributions (% of gross wages)	2.5%	4.5%	9.25%	11.0%
Town contributions (% of gross wages)	4.0%	5.0%	6.5%	9.0%

NOTE 13 - PENSION PLAN (CONTINUED)

Employee contributions are withheld pre-income tax by the Town and are remitted to the State of Vermont. Such withholdings totaled $44,481 during the year. The Town contributed $43,519 during the year. The Town's total payroll for all employees during the year was $991,990, with $837,550 of such amount related to employees covered by the Vermont Municipal Employees' Retirement System.

NOTE 14 - RISK MANAGEMENT

The Town is exposed to various risks of loss related to limited torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the Town carries commercial insurance. There have been no significant reductions in coverage from the prior year. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Town.

In addition, the Town is a member of the Vermont League of Cities and Towns (VLCT). The VLCT has set up three insurance trusts; the Property and Casualty Intermunicipal Fund, Inc. (PACIF) for multi-line insurance; the Vermont League of Cities and Towns Health Trust (VLCTHT) for health, life and disability coverage; and the Vermont League of Cities and Towns Unemployment Trust, Inc. (VLCTUT) for unemployment compensation. PACIF, VLCTHT and VLCTUT are nonprofit corporations formed to provide insurance and risk management programs for Vermont cities and towns and is owned by the participating members. The Trusts are not licensed insurance carriers and members are not protected by the Vermont Insurance Guaranty Association.

To provide insurance coverage, PACIF has established a self-funded insurance trust. It provides extensive coverage for losses to member municipalities for property damage, auto accidents, injured employees, public official liability and employment practices liability, members gain additional benefits from PACIF's unique public safety and risk management programs as well as dedicated in-house claims adjusters. In the event that total contributions assessed to and made by all members result in an actual or projected financial deficit and PACIF is unable to meet its required obligations, the Program will be terminated with each members assessed their proportionate share of the deficit.

NOTE 14 - RISK MANAGEMENT (CONTINUED)

To provide insurance coverage, VLCTHT has established a self-funded fully insured program in conjunction with Blue Cross and Blue Shield (BCBS). A portion of member contributions is used to purchase reinsurance and to fund a reserve required by the reinsurance. Benefits available include dental insurance, flexible spending accounts, life insurance, disability insurance, and long-term care insurance. Contributions in excess of claims requirements, reserve fund requirements, reinsurance and administrative costs are returned to participants. The pooling agreement does not permit the pool to make additional assessments to its members.

To provide unemployment coverage, VLCTUT has established a separate trust of funds from member contributions to pay administrative costs, unemployment claims, and provide excess reinsurance protection. Contributions are based on payroll expense and the previous two year unemployment compensation experience. In the event that total contributions assessed to and made by all members result in an actual or projected financial deficit and VLCTUT is unable to meet its required obligations, the Program will be terminated with each members assessed their proportionate share of the deficit.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of asset and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 15 - CONTINGENCIES

With regard to pending legal claims or any unasserted claims, it is not feasible at this time to predict or determine their outcome. Management believes, however, that settlement amounts, if any, will not have a material adverse effect on the Town's financial position.

The Town participates in various intergovernmental grant programs which may be subject to future program compliance audits by the grantors or their representatives. Accordingly, the Town's compliance with applicable grant requirement may be established at some future date. The amount, if any, of any liabilities arising from the disallowance of expenditures or ineligibility of grant revenues cannot be determined at this time.

Required Supplementary Information

Required supplementary information includes financial information and disclosures that are required by the Government Accounting Standards Board but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedule - General Fund - Budget and Actual - General Fund

- Budgetary Comparison Schedule - General Fund - Budget and Actual - Highway Fund

SCHEDULE 1

TOWN OF FAIR HAVEN, VERMONT

BUDGETARY COMPARISON SCHEDULE – BUDGETARY BASIS
BUDGET AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual	Variance Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 341,561	$ 341,561	$ 341,561	$ -
Resources (Inflows):				
Property taxes	3,040,195	3,040,195	2,998,556	(41,639)
Permits and licenses	2,930	2,930	4,005	1,075
Charges for services	299,024	299,024	256,587	(42,437)
Investment income	500	500	187	(313)
Miscellaneous revenues	4,865	4,865	19,397	14,532
Transfers from other funds	7,793	7,793	7,706	(87)
Amounts Available for Appropriation	3,696,868	3,696,868	3,627,999	(68,869)
Charges to Appropriations (Outflows):				
Current:				
General government	267,710	267,710	276,993	(9,283)
Public safety	372,107	372,107	346,301	25,806
Cemetery	25,938	25,938	24,066	1,872
Air Park	2,090	2,090	1,301	789
Health and welfare	4,025	4,025	2,680	1,345
Solid waste management	230,482	230,482	210,005	20,477
Education	1,837,092	1,837,092	1,837,092	-
Recreation	55,739	55,739	51,224	4,515
Intergovernmental expense	13,000	13,000	10,661	2,339
Judgements and damages	1,000	1,000	1,148	(148)
Benefits	315,800	315,800	288,693	27,107
Voter appropriations	141,541	141,541	141,591	(50)
Debt service	21,598	21,598	21,597	1
Transfers to other funds	194,401	194,401	194,498	(97)
Total Charges to Appropriations	3,482,523	3,482,523	3,407,850	74,673
Budgetary Fund Balance, June 30	$ 214,345	$ 214,345	$ 220,149	$ 5,804
Utilization of Assigned Fund Balance	$ -	$ -	$ -	$ -
Utilization of Unassigned Fund Balance	127,216	127,216	-	(127,216)
	$ 127,216	$ 127,216	$ -	$ (127,216)

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

SCHEDULE 2

TOWN OF FAIR HAVEN, VERMONT

BUDGETARY COMPARISON SCHEDULE – BUDGETARY BASIS
BUDGET AND ACTUAL – HIGHWAY FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual	Variance Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 89,491	$ 89,491	$ 89,491	$ -
Resources (Inflows):				
Property taxes	371,185	371,185	371,185	-
Intergovernmental	84,000	84,000	87,727	3,727
Miscellaneous revenues	-	-	1,596	1,596
Transfers from other funds	-	-	-	-
Amounts Available for Appropriation	544,676	544,676	549,999	5,323
Charges to Appropriations (Outflows):				
Current:				
Public works administration	62,920	62,920	64,574	(1,654)
Summer work	194,730	194,730	182,648	12,082
Winter work	102,070	102,070	83,097	18,973
Public works building	20,122	20,122	20,417	(295)
Public works equipment	72,210	72,210	74,959	(2,749)
Hydrant replacement	3,133	3,133	956	2,177
Transfers to other funds	-	-	-	-
Total Charges to Appropriations	455,185	455,185	426,651	28,534
Budgetary Fund Balance, June 30	$ 89,491	$ 89,491	$ 123,348	$ 33,857
Utilization of Committed Fund Balance	$ -	$ -	$ -	$ -
Utilization of Unassigned Fund Balance	-	-	-	-
	$ -	$ -	$ -	$ -

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

Other Supplementary Information

Other supplementary information includes financial statements and schedules not required by the Government Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

- Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund Revenues
- Schedule of Departmental Operations - General Fund
- Combining Balance Sheet - Nonmajor Governmental Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds
- Combining Balance Sheet - Nonmajor Special Revenue Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds
- Combining Balance Sheet - Nonmajor Capital Projects Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Project Funds
- Combining Balance Sheet - Nonmajor Permanent Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Permanent Funds
- Schedule of General Capital Assets by Function
- Schedule of Changes in General Capital Assets by Function

SCHEDULE A

TOWN OF FAIR HAVEN, VERMONT

BUDGETARY COMPARISON SCHEDULE – BUDGETARY BASIS
BUDGET AND ACTUAL – GENERAL FUND REVENUES
FOR THE YEAR ENDED JUNE 30, 2013

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Property taxes:			
Current real property taxes	$ 2,969,985	$ 2,917,340	$ (52,645)
Penalties and interest	31,000	35,779	4,779
HS-122 late fees	400	91	(309)
Interest	20,360	23,507	3,147
Railroad tax	550	695	145
Payments in lieu of tax	10,000	12,479	2,479
Land use & current use	7,900	8,665	765
Permits and licenses:			
Beverage permits	750	770	20
Building permits	1,000	880	(120)
Dog licenses	1,000	2,150	1,150
Excess weight permits	180	205	25
Charges for services:			
General government	20,300	30,192	9,892
Fire department	4,340	4,593	253
Public works	180,384	152,817	(27,567)
Cemetery	9,500	9,175	(325)
Police department	56,000	59,810	3,810
Timber sales	28,500	-	(28,500)
Investment income	500	187	(313)
Other income			
Treasury department salary FHGS 1/2	1,575	1,575	-
NSF returned check fee	40	60	20
Insurance reimbursement	1,600	761	(839)
Other income	1,650	17,001	15,351
Transfers in	7,793	7,706	(87)
Total revenues	$ 3,355,307	$ 3,286,438	$ (68,869)

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

SCHEDULE B

TOWN OF FAIR HAVEN, VERMONT

SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Appropriations	Expenditures	Variance
GENERAL GOVERNMENT			
Selectboard	$ 14,700	$ 15,208	$ (508)
Town Manager	44,700	62,302	(17,602)
Elections unit	6,250	5,084	1,166
Town Treasurer	5,038	5,038	-
Accounting department	47,717	48,031	(314)
Auditing department	8,300	8,000	300
Tax listers	28,043	19,707	8,336
Delinquent tax collecting	-	2,193	(2,193)
Town Clerk	49,792	49,098	694
Municipal planning	1,700	929	771
Municipal zoning	17,020	13,229	3,791
Zoning board	200	223	(23)
Municipal building & grounds	44,250	47,951	(3,701)
	267,710	276,993	(9,283)
PUBLIC SAFETY			
Emergency management	1,900	2,630	(730)
Police department	239,000	220,371	18,629
Police training	1,850	1,551	299
Police vehicles & equipment	21,250	24,065	(2,815)
Constables	7,550	2,439	5,111
Fire fighting department	11,860	9,312	2,548
Fire department training	6,150	1,953	4,197
Fire department communications	9,800	9,754	46
Fire department equipment	23,500	23,517	(17)
Fire department warden	200	-	200
Street lights	49,047	50,709	(1,662)
	372,107	346,301	25,806
CEMETERY	25,938	24,066	1,872
AIR PARK	2,090	1,301	789
HEALTH AND WELFARE			
Public health inspector	1,650	1,500	150
Animal control	2,375	1,180	1,195
	4,025	2,680	1,345
SOLID WASTE MANAGEMENT	230,482	210,005	20,477
EDUCATION	1,837,092	1,837,092	-

TOWN OF FAIR HAVEN, VERMONT

SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Appropriations	Expenditures	Variance
RECREATION			
Baseball activities	12,900	9,806	3,094
Recreation department	33,200	32,569	631
Special events	4,150	3,860	290
Memberships	5,489	4,989	500
	55,739	51,224	4,515
DEBT SERVICE			
Fire truck principal payment	15,750	15,750	-
Fire truck interest payment	5,848	5,847	1
	21,598	21,597	1
INTERGOVERNMENTAL EXPENSE			
County tax payment	13,000	10,661	2,339
	13,000	10,661	2,339
JUDGEMENTS AND DAMAGES	1,000	1,148	(148)
BENEFITS	315,800	288,693	27,107
VOTER APPROPRIATIONS			
Library	67,750	67,750	-
Rescue squad	27,340	27,340	-
Rutland Mental Health	2,739	2,739	-
Fair Haven Concerned Inc.	26,000	26,000	-
BROC Community Action	2,500	2,500	-
Retired and Senior Volunteer	825	875	(50)
RAVNAH	7,087	7,087	-
Association for Retarded Citizens	3,500	3,500	-
Castleton Community Seniors	1,500	1,500	-
SWVT Council on Aging	1,800	1,800	-
Mentor Connector	500	500	-
	141,541	141,591	(50)
TRANSFERS			
Reserve accounts	194,401	194,498	(97)
	194,401	194,498	(97)
	$ 3,482,523	$ 3,407,850	$ 74,673

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

SCHEDULE C

TOWN OF FAIR HAVEN, VERMONT

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2013

	Special Revenue Funds	Capital Project Funds	Permanent Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash	$ 6,176	$ 725,370	$ 8,128	$ 739,674
Investments	-	-	147,774	147,774
Accounts receivable	-	-	1,600	1,600
Due from other governments	58,312	-	-	58,312
Due from other funds	366,861	396,167	20,584	783,612
Total assets	$ 431,349	$ 1,121,537	$ 178,086	$ 1,730,972
LIABILITIES				
Accounts payable	$ -	$ -	$ 8,029	$ 8,029
Due to other funds	57,320	665,051	20,584	742,955
Total liabilities	57,320	665,051	28,613	750,984
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	79,165	-	149,473	228,638
Committed	293,938	456,486	-	750,424
Assigned	926	-	-	926
Unassigned	-	-	-	-
Total fund balances	374,029	456,486	149,473	979,988
Total liabilities and fund balances	$ 431,349	$ 1,121,537	$ 178,086	$ 1,730,972

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

SCHEDULE D

TOWN OF FAIR HAVEN, VERMONT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2013

	Special Revenue Funds	Capital Project Funds	Permanent Funds	Total Nonmajor Governmental Funds
REVENUES				
Intergovernmental	$ 340,062	$ -	$ -	$ 340,062
Interest/Gains & Losses	3	2,797	8,125	10,925
Other	-	45,972	1,600	47,572
TOTAL REVENUES	340,065	48,769	9,725	398,559
EXPENDITURES				
Current:				
General Government	2,195	-	-	2,195
Public Safety	31,117	-	-	31,117
Public Works	303,801	-	-	303,801
Recreation	-	-	-	-
Cemeteries	-	-	417	417
Other	18,363	-	-	18,363
Capital Outlay	-	172,345	-	172,345
TOTAL EXPENDITURES	355,476	172,345	417	528,238
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(15,411)	(123,576)	9,308	(129,679)
OTHER FINANCING SOURCES (USES)				
Transfers In	52,176	113,822	-	165,998
Transfers (Out)	-	-	(7,706)	(7,706)
TOTAL OTHER FINANCING SOURCES (USES)	52,176	113,822	(7,706)	158,292
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES)	36,765	(9,754)	1,602	28,613
FUND BALANCES - JULY 1	337,264	466,240	147,871	951,375
FUND BALANCES - JUNE 30	$ 374,029	$ 456,486	$ 149,473	$ 979,988

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

Special Revenue Funds

Special revenue funds are established to account for the proceeds of specific revenue sources (other than expendable trusts or for major capital projects) that are legally restricted to expenditures for specific purposes.

SCHEDULE E

TOWN OF FAIR HAVEN, VERMONT

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2013

	Reappraisal	Local Law Enforcement Grant	Jaws of Life	Grants - Planning	Community Assistance	DUI Grant	Highway Safety
ASSETS							
Cash	$ -	$ 5,250	$ -	$ -	$ -	$ -	$ -
Investments	-	-	-	-	-	-	-
Due from other governments	992	-	-	-	-	6,493	4,263
Due from other funds	112,769	-	987	69,794	-	-	-
TOTAL ASSETS	$ 113,761	$ 5,250	$ 987	$ 69,794	$ -	$ 6,493	$ 4,263
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Due to other funds	-	-	-	-	-	6,493	4,263
TOTAL LIABILITIES	-	-	-	-	-	6,493	4,263
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	5,250	987	69,794	-	-	-
Committed	113,761	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
TOTAL FUND BALANCES	113,761	5,250	987	69,794	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	$ 113,761	$ 5,250	$ 987	$ 69,794	$ -	$ 6,493	$ 4,263

TOWN OF FAIR HAVEN, VERMONT

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2013

	Equipment Grant	Fire Emergency Reserve	Grant Match Reserve	Start Grant	Airport Park	VLCT PACIF	Highway
ASSETS							
Cash	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Investments	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-
Due from other funds	-	180,177	-	-	3,134	-	-
TOTAL ASSETS	$ -	$ 180,177	$ -	$ -	$ 3,134	$ -	$ -
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Due to other funds	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-	-	-
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	3,134	-	-
Committed	-	180,177	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
TOTAL FUND BALANCES	-	180,177	-	-	3,134	-	-
TOTAL LIABILITIES AND FUND BALANCES	$ -	$ 180,177	$ -	$ -	$ 3,134	$ -	$ -

TOWN OF FAIR HAVEN, VERMONT

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2013

	COPS	Community Garden	Pedestrian Sidewalk	Homeland PW	Vtrans Depot Bridge	Totals
ASSETS						
Cash	$ -	$ 926	$ -	$ -	$ -	$ 6,176
Investments	-	-	-	-	-	-
Due from other governments	-	-	-	-	46,564	58,312
Due from other funds	-	-	-	-	-	366,861
TOTAL ASSETS	$ -	$ 926	$ -	$ -	$ 46,564	$ 431,349
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -
Due to other funds	-	-	-	-	46,564	57,320
TOTAL LIABILITIES	-	-	-	-	46,564	57,320
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	79,165
Committed	-	-	-	-	-	293,938
Assigned	-	926	-	-	-	926
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	-	926	-	-	-	374,029
TOTAL LIABILITIES AND FUND BALANCES	$ -	$ 926	$ -	$ -	$ 46,564	$ 431,349

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

SCHEDULE F

TOWN OF FAIR HAVEN, VERMONT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Reappraisal	Local Law Enforcement Grant	Jaws of Life	Grants - Planning	Community Assistance	DUI Grant	Highway Safety
REVENUES							
Intergovernmental	$ 11,843	$ -	$ -	$ 402	$ -	$ 10,016	$ 4,602
Interest/Gains & Losses	-	2	-	-	-	-	-
Other	-	-	-	-	-	-	-
TOTAL REVENUES	11,843	2	-	402	-	10,016	4,602
EXPENDITURES							
Current:							
General Government	-	-	-	2,195	-	-	-
Public Safety	-	-	-	-	-	10,016	4,602
Public Works	-	-	-	-	-	-	-
Recreation	-	-	-	-	-	-	-
Other	-	-	-	-	1,175	-	-
TOTAL EXPENDITURES	-	-	-	2,195	1,175	10,016	4,602
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	11,843	2	-	(1,793)	(1,175)	-	-
OTHER FINANCING SOURCES (USES)							
Operating Transfers In	10,000	-	-	-	-	-	-
Operating Transfers (Out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	10,000	-	-	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES)	21,843	2	-	(1,793)	(1,175)	-	-
FUND BALANCES - JULY 1	91,918	5,248	987	71,587	1,175	-	-
FUND BALANCES - JUNE 30	$ 113,761	$ 5,250	$ 987	$ 69,794	$ -	$ -	$ -

TOWN OF FAIR HAVEN, VERMONT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Equipment Grant	Fire Emergency Reserve	Grant Match Reserve	Start Grant	Airport Park	VLCT PACIF	Highway
REVENUES							
Intergovernmental	$ 4,987	$ (332)	$ -	$ 1,763	$ 86	$ 1,230	$ 2,043
Interest/Gains & Losses	-	-	1	-	-	-	-
Other	-	-	-	-	-	-	-
TOTAL REVENUES	4,987	(332)	1	1,763	86	1,230	2,043
EXPENDITURES							
Current:							
General Government	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	2,043
Recreation	-	-	-	-	-	-	-
Other	4,987	-	8,483	1,763	725	1,230	-
TOTAL EXPENDITURES	4,987	-	8,483	1,763	725	1,230	2,043
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(332)	(8,482)	-	(639)	-	-
OTHER FINANCING SOURCES (USES)							
Operating Transfers In	-	27,341	-	-	-	-	-
Operating Transfers (Out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	27,341	-	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES)	-	27,009	(8,482)	-	(639)	-	-
FUND BALANCES - JULY 1	-	153,168	8,482	-	3,773	-	-
FUND BALANCES - JUNE 30	$ -	$ 180,177	$ -	$ -	$ 3,134	$ -	$ -

TOWN OF FAIR HAVEN, VERMONT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	COPS	Community Garden	Pedestrian Sidewalk	Homeland PW	Vtrans Depot Bridge	Totals
REVENUES						
Intergovernmental	$ 1,664	$ -	$ 147,442	$ 2,268	$ 152,048	$ 340,062
Interest/Gains & Losses	-	-	-	-	-	3
Other	-	-	-	-	-	-
TOTAL REVENUES	1,664	-	147,442	2,268	152,048	340,065
EXPENDITURES						
Current:						
General Government	-	-	-	-	-	2,195
Public Safety	16,499	-	-	-	-	31,117
Public Works	-	-	147,442	2,268	152,048	303,801
Recreation	-	-	-	-		-
Other	-	-	-	-	-	18,363
TOTAL EXPENDITURES	16,499	-	147,442	2,268	152,048	355,476
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(14,835)	-	-	-	-	(15,411)
OTHER FINANCING SOURCES (USES)						
Operating Transfers In	14,835	-	-	-	-	52,176
Operating Transfers (Out)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	14,835	-	-	-	-	52,176
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES)	-	-	-	-	-	36,765
FUND BALANCES - JULY 1	-	926	-	-	-	337,264
FUND BALANCES - JUNE 30	$ -	$ 926	$ -	$ -	$ -	$ 374,029

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

Capital Project Funds

Capital projects funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds.

SCHEDULE G

TOWN OF FAIR HAVEN, VERMONT

COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECT FUNDS
JUNE 30, 2013

	Municipal Building	Public Works Equipment Replacement	Fire Equipment Replacement	Police Cruiser Replacement	Streets/ Sidewalks	Transfer Station
ASSETS						
Cash	$ 707,391	$ -	$ -	$ -	$ -	$ -
Investments	-	-	-	-	-	-
Due from other funds	-	34,622	109,521	23,482	95,962	46,551
TOTAL ASSETS	$ 707,391	$ 34,622	$ 109,521	$ 23,482	$ 95,962	$ 46,551
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -
Due to other funds	665,051	-	-	-	-	-
TOTAL LIABILITIES	665,051	-	-	-	-	-
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	42,340	34,622	109,521	23,482	95,962	46,551
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	42,340	34,622	109,521	23,482	95,962	46,551
TOTAL LIABILITIES AND FUND BALANCES	$ 707,391	$ 34,622	$ 109,521	$ 23,482	$ 95,962	$ 46,551

TOWN OF FAIR HAVEN, VERMONT

COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECT FUNDS
JUNE 30, 2013

	Recreation Department	Bridge Repair	Hydro Dam Study	Listers Equipment/ Education	Park Fence	4th Street Sidewalk
ASSETS						
Cash	$ 17,979	$ -	$ -	$ -	$ -	$ -
Investments	-	-	-	-	-	-
Due from other funds	-	24,476	10,871	15,407	1,478	-
TOTAL ASSETS	$ 17,979	$ 24,476	$ 10,871	$ 15,407	$ 1,478	$ -
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -
Due to other funds	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-	-
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	17,979	24,476	10,871	15,407	1,478	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	17,979	24,476	10,871	15,407	1,478	-
TOTAL LIABILITIES AND FUND BALANCES	$ 17,979	$ 24,476	$ 10,871	$ 15,407	$ 1,478	$ -

TOWN OF FAIR HAVEN, VERMONT

COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECT FUNDS
JUNE 30, 2013

	Records Restoration	COPS Match Reserve	Recreation Building Reserve	Town Garage Reserve	Marketing Reserve	Totals
ASSETS						
Cash	$ -	$ -	$ -	$ -	$ -	$ 725,370
Investments	-	-	-	-	-	-
Due from other funds	9,767	14,028	1,000	5,001	4,001	396,167
TOTAL ASSETS	$ 9,767	$ 14,028	$ 1,000	$ 5,001	$ 4,001	$ 1,121,537
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -
Due to other funds	-	-	-	-	-	665,051
TOTAL LIABILITIES	-	-	-	-	-	665,051
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	9,767	14,028	1,000	5,001	4,001	456,486
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	9,767	14,028	1,000	5,001	4,001	456,486
TOTAL LIABILITIES AND FUND BALANCES	$ 9,767	$ 14,028	$ 1,000	$ 5,001	$ 4,001	$ 1,121,537

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

SCHEDULE H

TOWN OF FAIR HAVEN, VERMONT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Municipal Building	Public Works Equipment Replacement	Fire Equipment Replacement	Police Cruiser Replacement	Streets/ Sidewalks	Transfer Station
REVENUES						
Interest	$ 356	$ 386	$ 272	$ 7	$ 1,207	$ 312
Other	-	-	-	-	-	-
TOTAL REVENUES	356	386	272	7	1,207	312
EXPENDITURES						
Current:						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Recreation	-	-	-	-	-	-
Other	-	-	-	-	-	-
Capital Outlay	9,028	26,929	-	900	41,920	1,105
TOTAL EXPENDITURES	9,028	26,929	-	900	41,920	1,105
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(8,672)	(26,543)	272	(893)	(40,713)	(793)
OTHER FINANCING SOURCES (USES)						
Operating Transfers In	10,000	30,000	28,000	10,000	5,000	8,000
Operating Transfers (Out)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	10,000	30,000	28,000	10,000	5,000	8,000
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES)	1,328	3,457	28,272	9,107	(35,713)	7,207
FUND BALANCES - JULY 1	41,012	31,165	81,249	14,375	131,675	39,344
FUND BALANCES - JUNE 30	$ 42,340	$ 34,622	$ 109,521	$ 23,482	$ 95,962	$ 46,551

TOWN OF FAIR HAVEN, VERMONT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Recreation Department	Bridge Repair	Hydro Dam Study	Listers Equipment/ Education	Park Fence	4th Street Sidewalk
REVENUES						
Interest	$ 5	$ 74	$ 4	$ 156	$ 1	$ -
Other	29,525	-	-	1,612	-	-
TOTAL REVENUES	29,530	74	4	1,768	1	-
EXPENDITURES						
Current:						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Recreation	-	-	-	-	-	-
Other	-	-	-	-	-	-
Capital Outlay	26,418	-	-	95	-	35,429
TOTAL EXPENDITURES	26,418	-	-	95	-	35,429
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	3,112	74	4	1,673	1	(35,429)
OTHER FINANCING SOURCES (USES)						
Operating Transfers In	-	6,000	5,000	-	-	-
Operating Transfers (Out)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	6,000	5,000	-	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES)	3,112	6,074	5,004	1,673	1	(35,429)
FUND BALANCES - JULY 1	14,867	18,402	5,867	13,734	1,477	35,429
FUND BALANCES - JUNE 30	$ 17,979	$ 24,476	$ 10,871	$ 15,407	$ 1,478	$ -

TOWN OF FAIR HAVEN, VERMONT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Records Restoration	COPS Match Reserve	Recreation Building Reserve	Town Garage Reserve	Marketing Reserve	Totals
REVENUES						
Interest	$ 3	$ 12	$ -	$ 1	$ 1	$ 2,797
Other	-	14,835	-	-	-	45,972
TOTAL REVENUES	3	14,847	-	1	1	48,769
EXPENDITURES						
Current:						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Recreation	-	-	-	-	-	-
Other	-	-	-	-	-	-
Capital Outlay	-	30,521	-	-	-	172,345
TOTAL EXPENDITURES	-	30,521	-	-	-	172,345
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	3	(15,674)	-	1	1	(123,576)
OTHER FINANCING SOURCES (USES)						
Operating Transfers In	1,822	-	1,000	5,000	4,000	113,822
Operating Transfers (Out)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	1,822	-	1,000	5,000	4,000	113,822
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES)	1,825	(15,674)	1,000	5,001	4,001	(9,754)
FUND BALANCES - JULY 1	7,942	29,702	-	-	-	466,240
FUND BALANCES - JUNE 30	$ 9,767	$ 14,028	$ 1,000	$ 5,001	$ 4,001	$ 456,486

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

Permanent Funds

Permanent funds are used to account for assets held by the Town of Fair Haven, Vermont in trust or as an agent for individuals, private organizations, other governmental units and/or other funds.

SCHEDULE I

TOWN OF FAIR HAVEN, VERMONT

COMBINING BALANCE SHEET – NONMAJOR PERMANENT FUNDS
JUNE 30, 2013

	Cedar Grove Cemetery	West Street Cemetery	Fair Haven Free Library	Totals
ASSETS				
Cash	$ 8,128	$ -	$ -	$ 8,128
Investments	147,774	-	-	147,774
Accounts receivable	1,600	-	-	1,600
Due from other funds	-	17,600	2,984	20,584
Total assets	$ 157,502	$ 17,600	$ 2,984	$ 178,086
LIABILITIES				
Accounts payable	$ 6,979	$ 897	$ 153	$ 8,029
Due to other funds	20,584	-	-	20,584
Total liabilities	27,563	897	153	28,613
FUND BALANCES				
Restricted	129,939	16,703	2,831	149,473
Total fund balances	129,939	16,703	2,831	149,473
Total liabilities and fund balances	$ 157,502	$ 17,600	$ 2,984	$ 178,086

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

SCHEDULE J

TOWN OF FAIR HAVEN, VERMONT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR PERMANENT FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Cedar Grove Cemetery	West Street Cemetery	Fair Haven Free Library	Totals
REVENUES				
Interest	$ 7,076	$ 897	$ 152	$ 8,125
Other	1,600	-	-	1,600
TOTAL REVENUES	8,676	897	152	9,725
EXPENDITURES				
Other	417	-	-	417
TOTAL EXPENDITURES	417	-	-	417
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	8,259	897	152	9,308
OTHER FINANCING SOURCES (USES)				
Operating Transfers In	-	-	-	-
Operating Transfers (Out)	(6,657)	(897)	(152)	(7,706)
TOTAL OTHER FINANCING (USES)	(6,657)	(897)	(152)	(7,706)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES)	1,602	-	-	1,602
FUND BALANCES - JULY 1	128,337	16,703	2,831	147,871
FUND BALANCES - JUNE 30	$ 129,939	$ 16,703	$ 2,831	$ 149,473

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

General Capital Assets

General capital assets are those assets related to activities reported in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position.

SCHEDULE K

TOWN OF FAIR HAVEN, VERMONT

SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION
JUNE 30, 2013

	Land and Non-depreciable Assets	Buildings, Building Improvements & Land Improvements	Furniture, Fixtures, Equipment & Vehicles	Infrastructure	Total
General government	$ 31,832	$ 105,122	$ 16,139	$ 13,367	$ 166,460
Public safety	-	8,539	983,380	-	991,919
Public works	-	3,558	906,101	2,072,636	2,982,295
Solid waste management	-	4,938	47,174	-	52,112
Cemetery	3,253	-	8,848	-	12,101
Recreation	-	-	9,720	58,777	68,497
Water and sewer fund	752	3,620,600	292,429	4,817,485	8,731,266
Total General Capital Assets	35,837	3,742,757	2,263,791	6,962,265	13,004,650
Less: Accumulated Depreciation	-	(1,835,628)	(1,573,066)	(1,885,977)	(5,294,671)
Net General Capital Assets	$ 35,837	$ 1,907,129	$ 690,725	$ 5,076,288	$ 7,709,979

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

SCHEDULE L

TOWN OF FAIR HAVEN, VERMONT

SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS BY FUNCTION
JUNE 30, 2013

	General Capital Assets 7/1/12	Additions	Deletions	General Capital Assets 6/30/13
General government	$ 166,460	$ -	$ -	$ 166,460
Public safety	987,999	3,920	-	991,919
Public works	2,830,185	152,110	-	2,982,295
Solid waste management	52,112	-	-	52,112
Cemetery	12,101	-	-	12,101
Recreation	68,497	-	-	68,497
Water and sewer fund	8,694,822	36,444	-	8,731,266
Total General Capital Assets	12,812,176	192,474	-	13,004,650
Less: Accumulated Depreciation	(4,961,198)	(333,473)	-	(5,294,671)
Net General Capital Assets	$ 7,850,978	$ (140,999)	$ -	$ 7,709,979

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