

TOWN OF HAMILTON, VIRGINIA

*COMPREHENSIVE
ANNUAL FINANCIAL REPORT*

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2009**

**TOWN OF HAMILTON, VIRGINIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2009**

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MAYOR AND TOWN COUNCIL

June 30, 2009

H. Ray Whitbey, Mayor

John Unger, Vice Mayor
James T. Rollins, Jr.

Michael E. Snyder
Gregory K. Wilmoth

Kenneth C. Wine

OFFICIALS

Lori M. Jones, Treasurer
David M. Beniamino, Zoning Administrator
Mary Tussing, Recorder

LEGAL COUNSEL

Maureen K. Gilmore

MITCHELL & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS
110 EAST MARKET STREET, SUITE 200
LEESBURG, VIRGINIA 20176

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INDEPENDENT AUDITOR'S REPORT

To The Honorable Mayor and Members of Town Council
Town of Hamilton, Virginia
Hamilton, Virginia

We have audited the accompanying financial statements of the governmental activities, the business-type activities, major funds and remaining fund information of the Town of Hamilton, Virginia, as of and for the year ended June 30, 2009, which collectively comprise the Town of Hamilton, Virginia basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on these financial statements and schedules 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. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, major funds, and remaining fund information of the Town of Hamilton, Virginia as of June 30, 2009, and the changes in the financial position and cash flows, where applicable, of those activities and funds and the budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Hamilton, Virginia's basic financial statements. The supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The statistical section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on that information.

September 23, 2009
Leesburg, Virginia

Mitchell & Co., P.C.

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Town of Hamilton, Virginia, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town of Hamilton, Virginia for the fiscal year ended June 30, 2009.

Financial Highlights

- The assets of the Town exceeded its liabilities at the close of the most recent fiscal year by \$8,351,118.
- The Town's total net assets increased by \$665,627.
- As of the close of the current fiscal year, the Town of Hamilton's governmental funds reported combined ending fund balances of \$1,218,459, a decrease of \$8,433 in comparison with the prior year. The majority of this total amount, \$966,380, is available for spending at the government's discretion.
- The Town's total bonded debt decreased by \$286,604 (10.3 percent) during the current fiscal year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town of Hamilton, Virginia's basic financial statements. The Town's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all Town assets and liabilities with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Town of Hamilton that are principally supported by taxes and intergovernmental revenues, (governmental activities), from other functions that are intended to recover all or a significant portion of their costs through user fees and charges, (business-type activities). The governmental activities of the Town of Hamilton include general government, public safety, and public works. The business-type activities of the Town include water and sewer.

The government-wide financial statements can be found on pages 11 – 12 of this report.

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 Hamilton, Virginia,

like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the 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.

The Town of Hamilton, Virginia maintains two individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund. Data from the other two governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Town of Hamilton adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 13 – 16 of this report.

Proprietary funds. The Town of Hamilton, Virginia uses enterprise funds to report the same functions presented as business-type activities in the government-wide financial statements. The Town's enterprise funds include the water fund and sewer fund.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer funds, which are considered to be major funds of the Town.

The basic proprietary fund financial statements can be found starting on pages 17 – 19 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 20 – 35 of this report.

Supplementary Information. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 36 – 39 of this report. Additional state required supplementary schedules follow the combining and individual fund statements and can be found on page 40 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government’s financial position. In the case of the Town of Hamilton, Virginia, assets exceeded liabilities by \$8,351,118 at the close of the most recent fiscal year.

By far the largest portion of the Town’s net assets reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. The Town of Hamilton uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the Town’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The following table presents a summary of the Town’s net assets by type of activity as of June 30, 2009.

Town of Hamilton – Net Assets			
	Governmental Activities	Business-type Activities	Total
Assets			
Current and other assets	\$ 1,038,624	\$ 2,403,612	\$ 3,442,236
Capital assets	208,051	7,625,639	7,833,690
Total Assets	1,246,675	10,029,251	11,275,926
Liabilities			
Long-term liabilities	14,457	2,295,905	2,310,362
Other liabilities	13,759	600,687	614,446
Total Liabilities	28,216	2,896,592	2,924,808
Net Assets			
Invested in capital assets, net of related debt	202,809	5,143,658	5,346,467
Restricted	49,270	-	49,270
Unrestricted	966,380	1,989,001	2,955,381
Total Net Assets	\$ 1,218,459	\$ 7,132,659	\$ 8,351,118

The remaining balance of unrestricted net assets may be used to meet the government’s ongoing obligations to its citizens and creditors.

At the end of the current fiscal year, the Town of Hamilton is able to report positive balances in all three categories of net assets for the government as a whole. The same situation held true for the prior fiscal year.

The Town’s net assets increased by \$665,627 during the current fiscal year.

Governmental activities. Governmental activities decreased the Town of Hamilton’s net assets by \$8,433. These changes are presented in column one of the following table:

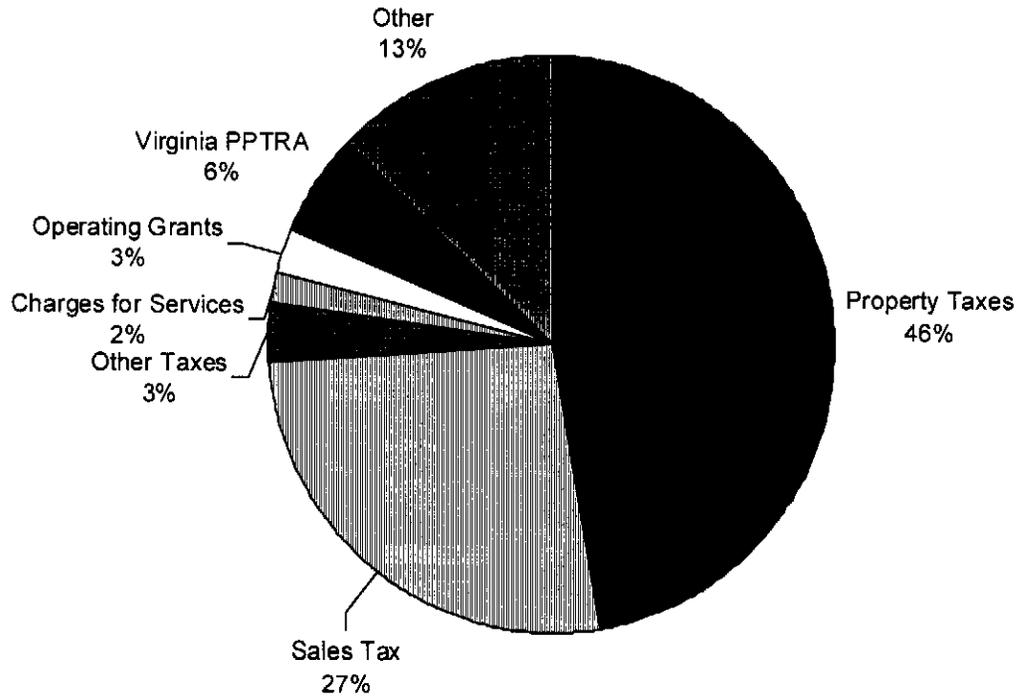
Town of Hamilton – Changes in Net Assets

	Governmental Activities	Business-type Activities	Total
Program Revenues			
Charges for services	\$ 7,135	\$ 619,622	\$ 626,757
Operating grants and contributions	10,691	-	10,691
Capital grants and contributions	-	682,432	682,432
General Revenues			
Property taxes	191,809	-	191,809
Other taxes	150,279	-	150,279
Other	(26,566)	198,204	171,638
Total Revenues	333,348	1,500,258	1,833,606
Expenses			
General government	276,097	-	276,097
Public works	61,294	-	61,294
Interest on long-term debt	295	-	295
Infrastructure depreciation	4,095	-	4,095
Water	-	335,469	335,469
Sewer	-	490,729	490,729
Total Expenses	341,781	826,198	1,167,979
Increase(Decrease) in Net Assets	(8,433)	674,060	665,627
Net Assets - 7/01/08	1,226,892	6,458,599	7,685,491
Net Assets - 6/30/09	\$ 1,218,459	\$ 7,132,659	\$ 8,351,118

- Revenue from property taxes decreased by \$8,602 (4.5 percent) during the year.

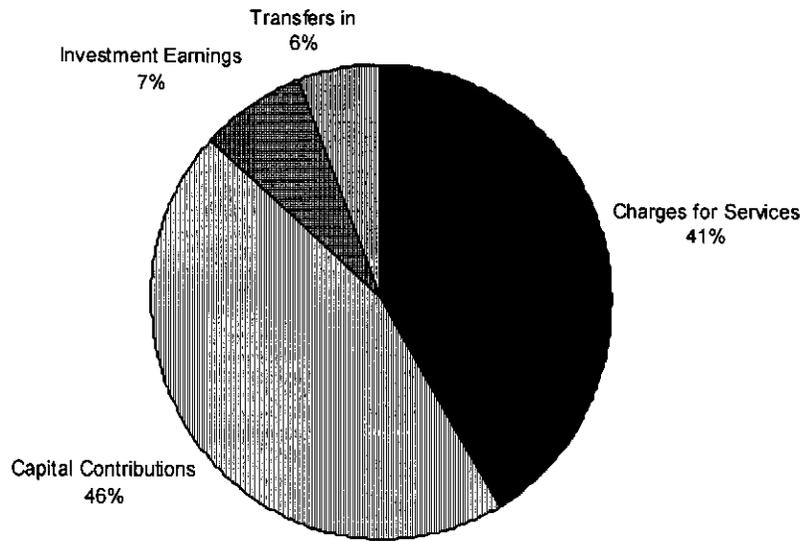
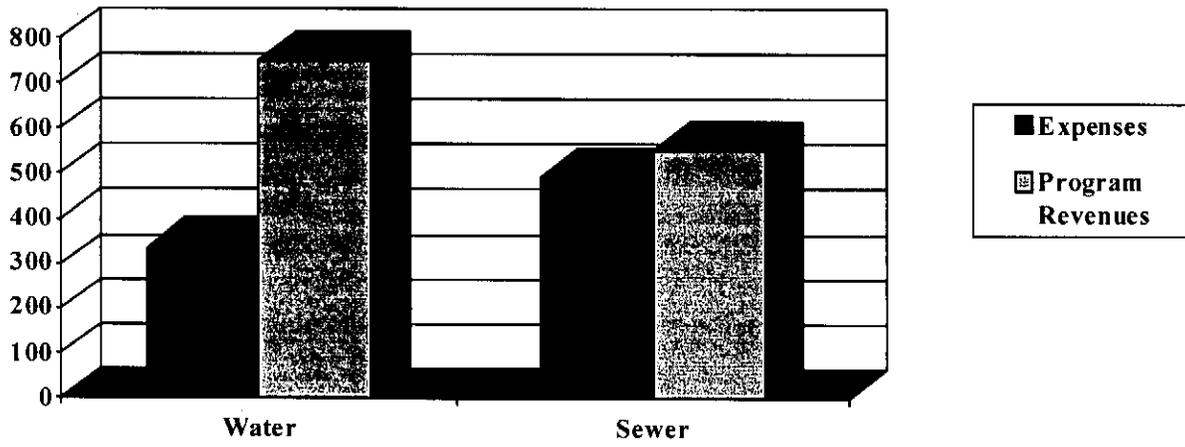
The following charts present a graphic representation of the Town's governmental activities and the related revenue structure for fiscal year 2009.

Revenues by Source – Governmental Activities



-
- **Business-type activities.** Business-type activities increased the Town of Hamilton's net assets by \$674,060, accounting for 101.3 percent of the growth in the Town's net assets.

Expenses and Program Revenues – Business-type Activities



Revenues by Source – Business-type Activities

Financial Analysis of the Government's Funds

As noted earlier, the Town of Hamilton, Virginia uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Town of Hamilton's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town of Hamilton's governmental funds reported combined ending fund balances of \$1,012,663, a decrease of \$16,535 in comparison with the prior year. The majority of this total amount (\$963,393) constitutes unreserved fund balance, which is available for spending at the government's discretion. The remainder of fund balance (\$49,270) is reserved to indicate that it is not available for new spending because it has already been committed for a variety of restricted purposes.

The general fund is the chief operating fund of the Town of Hamilton, Virginia. At the end of the current fiscal year, unreserved fund balance of the general fund was \$963,393, which represents the total fund balance of the general fund. As a measure of the general fund's liquidity, it may be useful to compare unreserved fund balance to total fund expenditures. Unreserved fund balance of \$963,393 is more than 2.5 times the total general fund expenditures of \$346,840.

The fund balance of the Town of Hamilton, Virginia's general fund decreased by \$16,535 during the current fiscal year.

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

Net assets of the water fund at the end of the year amounted to \$3,872,727, and those for the sewer fund amounted to \$3,259,932. The total growth in net assets for proprietary funds was \$674,060. Other factors concerning the finances of these funds have already been addressed in the discussion of the Town's business-type activities.

Capital Asset and Debt Administration

Capital assets. The Town of Hamilton, Virginia's investment in capital assets for its governmental and business-type activities as of June 30, 2009, amounts to \$7,833,690 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system improvements, machinery and equipment, and roads.

Major capital asset events during the current fiscal year include the following:

- Construction continued on upgrading the water system.
- Additional utility systems were purchased/upgraded.

The table below summarizes the capital assets of the Town at June 30, 2009.

Town of Hamilton – Capital Assets (Net of accumulated depreciation)			
	Governmental Activities	Business-type Activities	Total
Land	\$ 116,959	\$ 170,362	\$ 287,321
Construction in progress	-	3,124,455	3,124,455
Buildings and improvements	73,981	384,216	458,197
Utility distribution systems	-	3,783,347	3,783,347
Machinery and equipment	5,372	163,259	168,631
Infrastructure	11,739	-	11,739
TOTAL	\$ 208,051	\$ 7,625,639	\$ 7,833,690

Additional information on the Town of Hamilton capital assets can be found in note III. D on pages 28 – 29 of this report.

Long-term debt. At the end of the current fiscal year, the Town of Hamilton, Virginia had total bonded debt outstanding of \$2,481,981. This entire amount comprises debt backed by the full faith and credit of the government even though all of it will be repaid from proprietary fund revenue.

The Town of Hamilton’s total debt decreased by \$286,604 (10.3 percent) during the current fiscal year. The key factor in this decrease was the fact that no new debt was issued during the current fiscal year.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10 percent of its total assessed valuation. The current debt limitation for the Town of Hamilton is \$6,702,240, which is in excess of the Town’s outstanding general obligation debt.

Additional information on the Town of Hamilton’s long-term debt can be found in note III. G on pages 30 – 32 of this report.

Requests for Information

This report is designed to provide a general overview of the Town of Hamilton’s finances for all those with an interest in the government’s financial operations. Questions concerning any of the information provided in this report or requests for additional financial information should be directed to the Town of Hamilton, 53 East Colonial Highway, PO Box 130, Hamilton, Virginia 20159-0130.

TOWN OF HAMILTON, VIRGINIA
GOVERNMENT WIDE STATEMENT OF NET ASSETS
June 30, 2009

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	\$ 181,201	\$ 1,337,161	\$ 1,518,362
Certificate of deposits	643,040	764,103	1,407,143
Investments	160,872	144,337	305,209
Receivables			
Delinquent taxes, including penalties	3,460	-	3,460
Accrued interest	1,333	2,875	4,208
Accounts	3,615	75,565	79,180
Due from other governments	17,600	61,450	79,050
Prepays and other	27,503	-	27,503
Bond issuance costs	-	18,121	18,121
Temporarily restricted assets			
Bond escrow funds	-	-	-
Capital assets (net of accumulated depreciation):			
Land	116,959	170,362	287,321
Construction in progress	-	3,124,215	3,124,215
Buildings and improvements	73,981	384,216	458,197
Utility distribution systems	-	3,770,106	3,770,106
Machinery and equipment	5,372	176,740	182,112
Infrastructure	11,739	-	11,739
Total Assets	1,246,675	10,029,251	11,275,926
Liabilities			
Accounts payable	12,492	161,799	174,291
Retainage payable	-	136,645	136,645
Banking advances	-	42,446	42,446
Accrued interest payable	-	30,700	30,700
Deferred revenue	-	21,500	21,500
Noncurrent liabilities:			
Due within one year	1,267	207,597	208,864
Due in more than one year	14,457	2,295,905	2,310,362
Total Liabilities	28,216	2,896,592	2,924,808
Net Assets			
Invested in capital assets, net of related debt	202,809	5,143,658	5,346,467
Restricted	49,270	-	49,270
Unrestricted	966,380	1,989,001	2,955,381
Total Net Assets	\$ 1,218,459	\$ 7,132,659	\$ 8,351,118

The notes to the financial statements are an integral part of this statement.

TOWN OF HAMILTON, VIRGINIA
GOVERNMENT WIDE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2009

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants	Capital Contributions	Primary Government		Total
					Governmental Activities	Business-type Activities	
Primary government:							
Governmental activities:							
General government	\$ 276,097	\$ 2,535	\$ 2,691	\$ -	\$ (270,871)	\$ -	\$ (270,871)
Public safety	-	-	8,000	-	8,000	-	8,000
Public works	61,294	-	-	-	(61,294)	-	(61,294)
Planning and zoning	-	4,600	-	-	4,600	-	4,600
Interest on long-term debt	295	-	-	-	(295)	-	(295)
Infrastructure depreciation	4,095	-	-	-	(4,095)	-	(4,095)
Total Governmental Activities	<u>341,781</u>	<u>7,135</u>	<u>10,691</u>	<u>-</u>	<u>(323,955)</u>	<u>-</u>	<u>(323,955)</u>
Business-type activities:							
Water	335,469	332,954	-	415,800	-	413,285	413,285
Sewer	490,729	286,668	-	266,632	-	62,571	62,571
Total Business-Type Activities	<u>826,198</u>	<u>619,622</u>	<u>-</u>	<u>682,432</u>	<u>-</u>	<u>475,856</u>	<u>475,856</u>
Total Primary Government	<u>\$ 1,167,979</u>	<u>\$ 626,757</u>	<u>\$ 10,691</u>	<u>\$ 682,432</u>	<u>(323,955)</u>	<u>475,856</u>	<u>151,901</u>
General Revenues:							
Property taxes					191,809	-	191,809
Sales taxes					108,045	-	108,045
Business and occupational taxes					12,668	-	12,668
Consumer taxes					29,566	-	29,566
Virginia personal property tax reduction					23,496	-	23,496
Motor vehicle licenses					10,111	-	10,111
Miscellaneous					1,616	-	1,616
Unrestricted investment earnings					27,132	109,283	136,415
Transfers					(88,921)	88,921	-
Total general revenues					<u>315,522</u>	<u>198,204</u>	<u>513,726</u>
Change in net assets					(8,433)	674,060	665,627
Net assets - beginning					<u>1,226,892</u>	<u>6,458,599</u>	<u>7,685,491</u>
Net assets - ending					<u>\$ 1,218,459</u>	<u>\$ 7,132,659</u>	<u>\$ 8,351,118</u>

The notes to the financial statements are an integral part of this statement

TOWN OF HAMILTON, VIRGINIA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2009

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets			
Cash	\$ 148,609	\$ 32,592	\$ 181,201
Certificates of deposit	634,362	8,678	643,040
Investments	160,873	-	160,873
Receivables:			
Property taxes	7,074	-	7,074
Accrued interest	1,333	-	1,333
Due from other governments	9,600	8,000	17,600
Prepays and other	27,503	-	27,503
Total Assets	<u>989,354</u>	<u>49,270</u>	<u>1,038,624</u>
Liabilities and Fund Balances			
Liabilities			
Accounts payable	12,492	-	12,492
Deferred revenue	2,987	-	2,987
Compensated absences payable	10,482	-	10,482
Total Liabilities	<u>25,961</u>	<u>-</u>	<u>25,961</u>
Fund balances:			
Reserved	-	49,270	49,270
Unreserved	963,393	-	963,393
Total Fund Balances	<u>963,393</u>	<u>49,270</u>	<u>1,012,663</u>
Total Liabilities and Fund Balances	<u>\$ 989,354</u>	<u>\$ 49,270</u>	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in funds.	208,051
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	2,987
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in funds.	<u>(5,242)</u>
Net assets of governmental activities	<u>\$ 1,218,459</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF HAMILTON, VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
June 30, 2009

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues			
General property taxes	\$ 189,621	\$ -	\$ 189,621
Other local taxes	147,722	-	147,722
Permits, licenses, and fees	17,268	-	17,268
Contributions	-	2,691	2,691
Interest	26,828	304	27,132
Intergovernmental	23,496	8,000	31,496
Miscellaneous	1,374	2,777	4,151
Total revenues	<u>406,309</u>	<u>13,772</u>	<u>420,081</u>
Expenditures			
General government administration	286,136	-	286,136
Public works	59,204	855	60,059
Public safety	-	-	-
Debt service:			
Principal	1,205	-	1,205
Interest	295	-	295
Total expenditures	<u>346,840</u>	<u>855</u>	<u>347,695</u>
Excess of revenues over expenditures	<u>59,469</u>	<u>12,917</u>	<u>72,386</u>
Other Financing Sources (Uses)			
Transfers out	(88,921)	-	(88,921)
Total other financing sources (uses)	<u>(88,921)</u>	<u>-</u>	<u>(88,921)</u>
Net change in fund balances	(29,452)	12,917	(16,535)
Fund balances - beginning	<u>992,845</u>	<u>36,353</u>	<u>1,029,198</u>
Fund balances - ending	<u>\$ 963,393</u>	<u>\$ 49,270</u>	<u>\$ 1,012,663</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF HAMILTON, VIRGINIA
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, 2009

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

Net change in fund balances - total governmental funds	\$ (16,535)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount of capital assets recorded in the current period.	22,400
Depreciation expense on capital assets is reported in the government-wide statement of activities and changes in net assets, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in governmental funds.	(17,691)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	2,188
The issuance of long term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	<u>1,205</u>
Change in net assets of governmental activities	<u>\$ (8,433)</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF HAMILTON, VIRGINIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2009

	Original & Final Budget	Actual Amounts	Variance Favorable (Unfavorable)
Revenues			
General property taxes	\$ 197,700	\$ 189,621	\$ (8,079)
Other local taxes	152,500	147,722	(4,778)
Permits, fees, and licenses	11,500	17,268	5,768
Interest	15,000	26,828	11,828
Miscellaneous	1,000	1,374	374
Intergovernmental	24,250	23,496	(754)
Total Revenues	401,950	406,309	4,359
Expenditures			
General government administration	338,500	286,136	52,364
Public safety donations	4,000	-	4,000
Public works	59,450	59,204	246
Debt service:			
Principal	-	1,205	(1,205)
Interest	-	295	(295)
Total Expenditures	401,950	346,840	55,110
Excess (deficiency) of Revenues over Expenditures	-	59,469	59,469
Other Financing Sources (Uses)			
Transfers out	-	(88,921)	(88,921)
Total other financing sources (uses)	-	(88,921)	(88,921)
Net change in fund balance	-	(29,452)	(29,452)
Fund balance - beginning	992,845	992,845	-
Fund balance - ending	\$ 992,845	\$ 963,393	\$ (29,452)

The notes to the financial statements are an integral part of this statement.

**TOWN OF HAMILTON, VIRGINIA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2009**

EXHIBIT VII

	Business-type Activities - Enterprise Funds				
	Water	Water	Sewer	Sewer	Totals
	Current Year	Prior Year	Current Year	Prior Year	Current Year
Assets					
Current assets					
Cash and cash equivalents	\$ 984,599	\$ 1,706,018	\$ 352,562	\$ 415,454	\$ 1,337,161
Certificates of deposit	161,857	151,510	602,246	693,035	764,103
Investments	23,779	23,377	120,558	118,523	144,337
Accounts receivable	37,481	35,380	38,084	33,929	75,565
Intergovernmental receivable	-	-	61,450	91,337	61,450
Accrued interest receivable	454	926	2,421	1,698	2,875
Total current assets	1,208,170	1,917,211	1,177,321	1,353,976	2,385,491
Noncurrent assets					
Restricted assets, cash & equivalents					
Bond escrow funds	-	835,103	-	-	-
Bond issuance costs	16,316	17,566	1,805	1,945	18,121
Capital assets					
Land, buildings and structures	162,948	12,948	940,020	765,194	1,102,968
Utility distribution systems	1,528,029	1,277,229	3,774,737	3,774,737	5,302,766
Construction in progress	3,124,215	1,549,033	-	-	3,124,215
Equipment	238,076	224,595	318,412	261,241	556,488
Less accumulated depreciation	(900,211)	(849,416)	(1,560,587)	(1,421,186)	(2,460,798)
Total capital assets (net of accumulated depreciation)	4,153,057	2,214,389	3,472,582	3,379,986	7,625,639
Total noncurrent assets	4,169,373	3,067,058	3,474,387	3,381,931	7,643,760
Total Assets	5,377,543	4,984,269	4,651,708	4,735,907	10,029,251
Liabilities					
Current liabilities					
Accounts payable	142,499	187,697	19,300	14,080	161,799
Retainage payable	136,645	15,180	-	-	136,645
Banking advances	39,446	195,653	3,000	-	42,446
Accrued interest payable	13,950	14,940	16,750	19,460	30,700
Deferred revenue	-	-	21,500	23,000	21,500
Due to other funds	-	-	-	-	-
General obligation bonds - current	72,000	72,000	135,597	131,853	207,597
Total current liabilities	404,540	485,470	196,147	188,393	600,687
Noncurrent liabilities					
Compensated absences	7,632	9,529	6,512	5,581	14,144
Premium on bonds	6,329	6,819	1,048	1,053	7,377
General obligation bonds payable	1,086,315	1,158,315	1,188,069	1,406,417	2,274,384
Total noncurrent liabilities	1,100,276	1,174,663	1,195,629	1,413,051	2,295,905
Total Liabilities	1,504,816	1,660,133	1,391,776	1,601,444	2,896,592
Net Assets					
Invested in capital assets, net of related debt	2,994,742	1,819,177	2,148,916	1,841,716	5,143,658
Unrestricted	877,985	1,504,959	1,111,016	1,292,747	1,989,001
Total Net Assets	\$ 3,872,727	\$ 3,324,136	\$ 3,259,932	\$ 3,134,463	\$ 7,132,659

The notes to the financial statements are an integral part of this statement.

TOWN OF HAMILTON, VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
For the Year Ended June 30, 2009

	Business-type Activities - Enterprise Funds				
	Water	Water	Sewer	Sewer	Totals
	Current Year	Prior Year	Current Year	Prior Year	Current Year
Operating revenues					
Charges for services	\$ 311,021	\$ 288,736	\$ 270,582	\$ 259,769	\$ 581,603
Connection fees	15,000	60,000	11,500	22,500	26,500
Miscellaneous revenue	6,933	727	4,586	-	11,519
Total operating revenues	<u>332,954</u>	<u>349,463</u>	<u>286,668</u>	<u>282,269</u>	<u>619,622</u>
Operating expenses					
Personal service	120,332	112,443	129,093	110,270	249,425
Fringe benefits	19,394	8,721	24,328	10,812	43,722
Administrative	-	-	-	10,949	-
Depreciation	50,795	52,975	139,401	139,144	190,196
Truck expense	5,773	4,829	3,772	4,929	9,545
Supplies	12,784	17,045	49,143	48,060	61,927
Repairs and maintenance	76,222	38,654	51,665	78,978	127,887
Utilities	31,227	23,223	36,298	29,198	67,525
Telephone	1,984	1,807	3,104	3,084	5,088
Other charges	3,937	2,700	6,227	2,983	10,164
Total operating expenses	<u>322,448</u>	<u>262,397</u>	<u>443,031</u>	<u>438,407</u>	<u>765,479</u>
Operating income (loss)	<u>10,506</u>	<u>87,066</u>	<u>(156,363)</u>	<u>(156,138)</u>	<u>(145,857)</u>
Nonoperating revenues (expenses)					
Investment earnings	38,485	70,410	26,931	37,159	65,416
Lease income	43,867	32,517	-	-	43,867
Interest expense	(13,021)	(37,710)	(47,698)	(50,807)	(60,719)
Total nonoperating revenue (expenses)	<u>69,331</u>	<u>65,217</u>	<u>(20,767)</u>	<u>(13,648)</u>	<u>48,564</u>
Income before contributions and transfers	<u>79,837</u>	<u>152,283</u>	<u>(177,130)</u>	<u>(169,786)</u>	<u>(97,293)</u>
Transfers and contributions					
Capital contributions	415,800	1,595,000	266,632	381,144	682,432
Transfers in	52,954	-	35,967	-	88,921
Change in net assets	<u>548,591</u>	<u>1,747,283</u>	<u>125,469</u>	<u>211,358</u>	<u>674,060</u>
Total net assets - beginning of year	<u>3,324,136</u>	<u>1,576,853</u>	<u>3,134,463</u>	<u>2,923,105</u>	<u>6,458,599</u>
Total net assets - end of year	<u>\$ 3,872,727</u>	<u>\$ 3,324,136</u>	<u>\$ 3,259,932</u>	<u>\$ 3,134,463</u>	<u>\$ 7,132,659</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF HAMILTON, VIRGINIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2009

	Business-type Activities - Enterprise Funds		
	Water	Sewer	Totals
Cash Flows from Operating Activities			
Receipts from customers and users	\$ 374,720	\$ 310,900	\$ 685,620
Payments to suppliers	(177,126)	(144,989)	(322,115)
Payments to employees	(141,623)	(152,490)	(294,113)
Net cash provided by (used in) operating activities	55,971	13,421	69,392
Cash Flows from Noncapital Financing Activities			
Interfund transfers	52,954	35,967	88,921
Net cash provided (used) by capital and related financing activities	52,954	35,967	88,921
Cash Flows from Capital and Related Financing Activities			
Capital contributions	415,800	266,632	682,432
Acquisition and construction of capital assets	(1,821,690)	(231,997)	(2,053,687)
Principal paid on capital debt	(72,000)	(214,604)	(286,604)
Interest paid on capital debt	(59,559)	(50,273)	(109,832)
Net cash provided (used) by capital and related financing activities	(1,537,449)	(230,242)	(1,767,691)
Cash Flows from Investing Activities			
(Purchases) redemption of certificates of deposit	(10,347)	90,789	80,442
Interest and dividends received	38,957	26,208	65,165
Net cash provided (used) by investing activities	28,610	116,997	145,607
Net increase in cash and cash equivalents	(1,399,914)	(63,857)	(1,463,771)
Cash and cash equivalents July 1, 2008	2,368,846	533,977	2,902,823
Cash and cash equivalents June 30, 2009	\$ 968,932	\$ 470,120	\$ 1,439,052
Reconciliation of operating income to net cash provided (used) by operating activities			
Operating income	\$ 10,506	\$ (156,363)	\$ (145,857)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	50,795	139,401	190,196
Lease income	43,867	-	43,867
(Increase) decrease in accounts receivable	(2,101)	25,732	23,631
Increase (decrease) in deferred revenue	-	(1,500)	(1,500)
Increase (decrease) in operating accounts payable	(45,199)	5,220	(39,979)
Increase (decrease) in compensated absences	(1,897)	931	(966)
Total adjustments	45,465	169,784	215,249
Net cash provided by operating activities	\$ 55,971	\$ 13,421	\$ 69,392
Noncash investing, capital, and financing activities			
Capital assets contributed by developers and government	\$ 400,800	\$ -	\$ 400,800

The notes to the financial statements are an integral part of this statement.

TOWN OF HAMILTON, VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Hamilton, Virginia (the Town) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following summary of the more significant policies is presented to assist the reader in interpreting the financial statements and other data contained in this report. These policies, as presented, should be viewed as an integral part of the accompanying financial statements.

A. Reporting Entity

The Town is an incorporated municipal government governed by an elected mayor and six-member council. As required by generally accepted accounting principles, these financial statements present the Town and its component units, entities for which the Town is considered to be financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board and either (A) the ability to impose will by the primary government, or (B) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

Based upon the above, all potential component units were evaluated for inclusion in the reporting entity and it was determined there are no material component units requiring inclusion reporting.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements.

TOWN OF HAMILTON, VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 45 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental funds:

The *general fund* is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Additionally, the government reports the following non-major government funds:

The *special revenue fund* accounts for revenue sources that are legally restricted to expenditures for specific purposes (not including major capital projects).

The government reports the following major proprietary funds:

The *water and sewer funds* account for the activities of the Town's water and sewer operations.

Private-sector standards of accounting and financial reporting issued prior to December 2, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected to follow subsequent private-sector guidance.

TOWN OF HAMILTON, VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewer enterprise funds are charges to customers for sales and services. The authority also recognizes as operating revenue the portion of tap fees intended to cover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities and Net Assets or Equity

1. 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. Investments are stated at fair value, which approximates cost due to the short-term nature of the investment maturities.

2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" or "advances to/from other funds." All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

The trade and property tax receivables are shown net of an allowance for doubtful accounts. The allowance for doubtful accounts is determined using historical collection data and account analysis.

TOWN OF HAMILTON, VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS

Real estate and personal property taxes are assessed annually by Loudoun County, Virginia for all property of record as of January 1. The Town bills and collects its own property taxes based on the assessed values provided by the County. Real estate taxes are levied annually on January 1 and are due in semi-annual installments on June 5 and December 5. Personal property taxes are levied annually on January 1 and are due October 5.

Collections of real and personal property taxes between July 1 and August 15 of the subsequent fiscal year, classified as delinquent at June 30, are recorded as revenue for the fiscal year then ended, in accordance with the standards established by the Auditor of Public Accounts of the Commonwealth of Virginia. Liens attach to the property when the tax remains unpaid after July 1 of the following year. The billings are considered past due after the respective tax billing date at which time the applicable property is subject to a 10% penalty and interest is assessed 30 days therefrom.

3. Restricted Assets

Bond Fund Escrow - The 2002 Series Revenue Bond requires that the bond proceeds be held in escrow by the Virginia Resources Authority (VRA). The VRA makes all payments from the escrow based on requisitions prepared by the Town. The bond was authorized to finance improvements to the Town's water system and to refund certain outstanding debt.

4. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Such assets are recorded at cost or estimated historical cost if purchased or constructed. Donated fixed assets are recorded at their estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense incurred by the water fund during the current fiscal year was \$59,329. Of this amount, \$46,308 was included as part of the cost of capital assets under construction in connection with water treatment facilities construction projects.

*Accrual Basis
of \$6,176.26*

TOWN OF HAMILTON, VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS

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

Type of Asset	Years
Buildings	25
Improvements other than buildings	10
Equipment and vehicles	5 - 10
Infrastructure	30
Utility distribution systems	10 - 50

5. Compensated Absences

It is the Town's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation and sick pay is accrued when incurred in the government-wide and proprietary fund financial statements. Vacation and sick pay that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund.

6. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as an other financing source. Premiums received on debt issuances are reported as other financing sources, while discounts of debt issuances are reported as other financing uses. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

7. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

TOWN OF HAMILTON, VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS

8. Comparative Data/Reclassifications

Comparative total data for the prior year have been presented only for individual enterprise funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Certain amounts presented in prior year data has been reclassified to be consistent with current year's presentation.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the general fund. All annual appropriations lapse at fiscal year end. Budgets for the enterprise funds serve as a spending guide and do not constitute legally binding limitations.

Before June 30, the proposed budget is presented to Town Council for review. The council holds public hearings and a final budget must be prepared and adopted no later than June 30. The appropriated budget is prepared by fund, function, and department. The Town's council made no supplemental budgetary appropriations during the year.

B. Excess of Expenditures over Appropriations

For the year ended June 30, 2009, expenditures exceeded appropriations in the following general fund departments:

<u>Department</u>	<u>Excess Expenditures Over Appropriations</u>
Debt service	\$ 1,500

TOWN OF HAMILTON, VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS

A. Deposits and Investments

Deposits

At year-end June 30, 2009 the carrying amount of the Town's deposits with banks and savings institutions was \$2,882,959 and the bank balance was \$2,930,276. All of the Town's deposits were covered by Federal Depository Insurance or collateralized in accordance with the Virginia Security for Public Deposits Act. Under the Act, banks holding public deposits in excess of the amounts insured by FDIC must pledge collateral in the amount of 50% of excess deposits to a collateral pool in the name of the State Treasury Board. Savings and loan institutions are required to collateralize 100% of deposits in excess of FDIC limits. The State Treasury Board is responsible for monitoring compliance with the collateralization and reporting requirements of the Act and for notifying localities of compliance by banks and savings and loans. The funds deposited in accordance with the requirements of the Act are considered fully secured and thus are not categorized below as to credit risk.

Investments

Statutes authorize the Town to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, prime quality commercial paper and certain qualifying corporate notes, bankers acceptances, repurchase agreements and the State Treasurer's Local Government Pool.

As of June 30, 2009, the Town had the following investments:

Type	Carrying Amount	Fair Value
LGIP Fund	\$ 305,209	\$ 305,209

Interest rate risk. In accordance with its investment policy, the government manages its exposure to declines in fair value by limiting the average maturity of its investment portfolio.

Custodial credit risk. For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The investments of the government have a custodial credit risk exposure because the related securities are uninsured, unregistered and held by the government's brokerage firm or outside custodian which is also the counterparty for these particular securities. The Town's investment policy provides for annual review of custodian and selecting custodians that have annual 3rd party audits of their custodian accounts and financial internal accounting control.

TOWN OF HAMILTON, VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS

Credit risk. State Law limits investments in commercial paper and corporate bonds to the top rating issued by nationally recognized statistical rating organizations. It is the Town's policy to limit its investments in these types of investments to the state Law. As of June 30, 2009, the Town's investment in the State Treasurer's investment pool was rated AAA by Standard & Poor's. The Town's investments in commercial paper were rated A1 by Standard & Poor's and P-1 by Moody's Investors Service. The Town's investments in government and agency bonds/notes are direct guaranteed obligations of the U.S.

Concentration of credit risk. The Town's investment policy does not allow for an investment in any one issuer that is in excess of five percent of the Town's total investments.

B. Receivables

Receivables as of year end for the government's individual major and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Water	Sewer	Total
Receivables:				
Delinquent property taxes	\$ 3,460	\$ -	\$ -	\$ 3,460
Accounts	3,615	37,481	38,084	79,180
Interest	1,333	454	2,421	4,208
Intergovernmental	9,600	-	61,450	71,050
Net total receivables	<u>\$ 18,008</u>	<u>\$ 37,935</u>	<u>\$ 101,955</u>	<u>\$ 157,898</u>

Governmental funds reported deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the deferred revenue reported in the governmental funds was \$2,987 representing delinquent property taxes in the general fund.

C. Due from Other Governments

At June 30, 2009 amounts due from other governments were as follows:

Description/Payer	General
Commonwealth of Virginia	
Consumer utility taxes	\$ 8,000
Fire Department Fund	2,808
Loudoun County, Virginia - Sales tax	6,792
	<u>17,600</u>
Loudoun County, Virginia	
Special taxing district	61,450
	<u>\$ 79,050</u>

TOWN OF HAMILTON, VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS

D. Capital Assets

Capital asset activity for the year ended June 30, 2009 was as follows:

Primary Government

	Beginning Balance	Additions	Disposals	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 116,959	\$ -	\$ -	\$ 116,959
Total capital assets, not being depreciated	116,959	-	-	116,959
Capital assets, being depreciated:				
Buildings and improvements	90,630	22,400	-	113,030
Furniture and fixtures	2,461	-	-	2,461
Equipment	78,482	-	-	78,482
Infrastructure	138,640	-	-	138,640
Total capital assets being depreciated	310,213	22,400	-	332,613
Less accumulated depreciation for:				
Buildings and improvements	(32,333)	(6,716)	-	(39,049)
Furniture and fixtures	(1,018)	-	-	(1,018)
Equipment	(67,673)	(6,880)	-	(74,553)
Infrastructure	(122,806)	(4,095)	-	(126,901)
Total accumulated depreciation	(223,830)	(17,691)	-	(241,521)
Net capital assets being depreciated	86,383	4,709	-	91,092
Governmental capital assets, net	\$ 203,342	\$ 4,709	\$ -	\$ 208,051

TOWN OF HAMILTON, VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS

	Beginning Balance	Additions	Disposals	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 20,362	\$ 150,000	\$ -	\$ 170,362
Construction in progress	1,549,033	1,575,182	-	3,124,215
Total capital assets, not being depreciated	1,569,395	1,725,182	-	3,294,577
Capital assets, being depreciated:				
Buildings and improvements	757,780	174,827	-	932,607
Utility distribution systems	5,051,966	250,800	-	5,302,766
Equipment	485,836	70,651	-	556,487
Total capital assets being depreciated	6,295,582	496,278	-	6,791,860
Less accumulated depreciation for:				
Buildings and improvements	(515,549)	(32,842)	-	(548,391)
Utility distribution systems	(1,408,985)	(123,675)	-	(1,532,660)
Equipment	(346,068)	(33,679)	-	(379,747)
Total accumulated depreciation	(2,270,602)	(190,196)	-	(2,460,798)
Net capital assets being depreciated	4,024,980	306,082	-	4,331,062
Business-type activities capital assets, net	\$5,594,375	\$2,031,264	\$ -	\$7,625,639

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

Activity	Depreciation
Governmental activities:	
General government administration	\$ 11,506
Public works	2,090
Public safety	-
Infrastructure depreciation	4,095
Total depreciation expense - governmental activities	\$ 17,691
Business-type activities:	
Water	\$ 50,795
Sewer	139,401
Total depreciation expense - business-type activities	\$ 190,196

TOWN OF HAMILTON, VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS

E. Capital Lease

The Town entered into a lease agreement for the acquisition of a copier. The future minimum lease obligation and the net present value of the minimum lease payments as of June 30, 2009 are as follows:

Year Ending June 30	Governmental Activities
2010	1,267
2011	1,331
2012	1,400
2013	1,244
Total minimum lease payments	<u>5,242</u>
Less: amount representing interest	<u>(507)</u>
Present value of minimum lease payments	<u>\$ 4,735</u>

F. Long-Term Debt

General Obligation Bonds. The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities and for refunding of general obligation bonds. General obligation bonds have been issued for proprietary activities. These bonds are reported in the proprietary funds as they are expected to be repaid from proprietary fund revenues. General obligation bonds are direct obligations and pledge the full faith and credit of the Town. These bonds generally are issued as serial bonds with amounts of principal maturing each year.

TOWN OF HAMILTON, VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS

General obligation bonds and notes outstanding at June 30, 2009 are as follows:

<u>Description</u>	<u>Amount</u>
\$2,542,000, 1999 Revenue Bond; 1999, 2000, 2001 and 2002 drawdowns amounted to \$2,439,462 due interest only through February 1, 2000 thereafter due in semi-annual principal and interest installments of \$86,567, interest at 3.00%; due in full August 1, 2019; County of Loudoun to provide annual debt service of \$88,000 for twenty years subject to annual appropriation	\$ 1,216,981
\$1,800,000, 2002 General Obligation Water Bond; proceeds received and held in escrow by the Virginia Resources Authority; semi-annual interest payments at 3.10% to 5.10% and annual principal payments of \$85,000 to \$125,000; due in full April 1, 2022	<u>1,265,000</u>
Total General Obligation Debt	<u>\$ 2,481,981</u>

Annual debt service requirements to maturity for general obligation debt are as follows:

<u>Year Ending June 30,</u>	<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2010	207,597	107,633
2011	216,453	100,497
2012	210,427	92,932
2013	219,520	85,576
2014	228,737	77,279
2015 - 2019	1,286,537	247,931
2020 - 2022	112,710	38,509
Total	<u>\$ 2,481,981</u>	<u>\$ 750,357</u>

The bonds are collateralized by the revenues of the water and sewer funds. The covenants also contain certain provisions which require the Town of maintain revenues as defined in the covenants of as least 1.15 times annual total debt service. For fiscal year 2009, all revenue bond covenants were met.

The legal debt margin mandated by the Commonwealth of Virginia is \$6,702,240, which is computed based on 10% of the assessed value of real estate subject to taxation less applicable bonded debt.

TOWN OF HAMILTON, VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS

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

	June 30, 2008	Additions	Retirements	June 30, 2009	Due Within One Year
Governmental activities:					
Capital lease	\$ 6,447	\$ -	\$ (1,205)	\$ 5,242	\$ 1,267
Compensated absences	3,255	7,227	-	10,482	-
Governmental activities long-term liabilities	<u>\$ 9,702</u>	<u>\$ 7,227</u>	<u>\$ (1,205)</u>	<u>\$ 15,724</u>	<u>\$ 1,267</u>
Business-type activities:					
General obligation bonds	\$ 2,768,585	\$ -	\$ (286,604)	\$ 2,481,981	\$ 207,597
Compensated absences	15,110	-	(996)	14,114	-
Premiums on bonds	7,872	-	(495)	7,377	-
Business-type activities long-term liabilities	<u>\$ 2,791,567</u>	<u>\$ -</u>	<u>\$ (288,095)</u>	<u>\$ 2,503,472</u>	<u>\$ 207,597</u>

G. Capital Contributions

Contributed capital for the water and sewer funds consists of funds received from developers, individuals, and other governmental units for use in aid of construction. A summary of capital contributions collected during fiscal year 2009 follows:

Source of Capital	Water Fund	Sewer Fund
Availability fees	\$ 15,000	\$ 40,000
Loudoun County - utility distribution systems support	-	88,000
Loudoun County - special tax district/debt service	-	138,632
Loudoun County - water tank and site	400,800	-
	<u>\$ 415,800</u>	<u>\$ 266,632</u>

TOWN OF HAMILTON, VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS

IV. OTHER INFORMATION

A. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To reduce insurance costs and the need for self-insurance, the Town has joined together with other municipalities in the Commonwealth of Virginia in several public entity risk pools (not self-insured) that operate as common risk management and insurance programs for member municipalities. The risk pools include:

VMGSIA: The Town has workers' compensation coverage with the Virginia Municipal Group Self Insurance Association (VMGSIA). During the fiscal year 2009 the Town paid premiums of approximately \$4,839 to VMGSIA.

VMLP: The Town has general and excess liability, automobile, property, boiler and machinery, law enforcement liability, public officials, legal liability, and commercial crime insurance with the Virginia Municipal Liability Pool (VMLP). During the fiscal year 2008, the Town paid contributions of approximately \$21,561 to the VMLP.

Settled claims have not exceeded commercial insurance coverage in any of the past three fiscal years.

B. Segment Information - Enterprise Funds

The Town maintains two enterprise funds which provide water and sewer services. Selected segment information for the year ended June 30, 2009, is as follows:

	Water Fund	Sewer Fund	Total
Operating revenues	\$ 332,954	\$ 286,668	\$ 619,622
Operating expenses	322,448	443,031	765,479
Net nonoperating revenues (expenses)	69,331	(20,767)	48,564
Transfers and contributions	468,754	302,599	771,353
Net income (loss)	548,591	125,469	674,060
Acquisition of property	1,646,433	231,997	1,878,430
Total assets	5,377,543	4,651,708	10,029,251
Bonds payable	1,158,315	1,323,666	2,481,981
Total net assets	3,872,727	3,259,932	7,132,659

C. Surety Bonds

The Town maintains a \$100,000 blanket surety bond on all employees through the Virginia Municipal Liability Pool Insurance Program.

TOWN OF HAMILTON, VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS

D. Defined Benefit Pension Plan

Plan Description

The Town contributes to the Virginia Retirement System (VRS), an agent and cost-sharing multiple-employer defined benefit pension plan administered by the Virginia Retirement System (System). All full-time, salaried permanent employees of participating employers must participate in the VRS. Benefits vest after five years of service. Employees are eligible for an unreduced retirement benefit at age 65 with five years of service (age 60 for participating law enforcement officers and firefighters) and at age 50 with 30 years of service for participating employees (age 50 with 25 years for participating law enforcement officers and firefighters). Employees who retire with a reduced benefit at age 55 (age 50 for participating law enforcement officers and firefighters) with at least five years of credited service are entitled to an annual retirement benefit payable monthly for life in an amount equal to 1.7 percent of their average final salary (AFS) for each year of credited service. Benefits are actuarially reduced for retirees who retire prior to becoming eligible for retirement benefits. In addition, retirees qualify for annual cost-of-living increases beginning in their second year of retirement. The COLA is limited to 5% per year. AFS is defined as the highest consecutive 36 months of salary. Participating law enforcement officers and firefighters may receive a monthly benefit supplement if they retire prior to age 65. The VRS also provides death and disability benefits. Title 51.1 of the *Code of Virginia* (1950), as amended, assigns the authority to establish and amend benefit provisions to the General Assembly of Virginia.

The System issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for VRS. A copy of that report may be obtained by writing the System at P. O. Box 2500, Richmond, Va. 23218-2500.

Funding Policy

Plan members are required by Title 51.1 of the *Code of Virginia* (1950), as amended, to contribute 5% of their annual salary to the VRS. The Town assumed this 5% member contribution. In addition, the Town is required to contribute the remaining amounts necessary to fund its participation in the VRS using the actuarial basis specified by the statute and approved by the VRS Board of Trustees. The Town's total contribution rate (employee and employer) for the fiscal year ended 2009 was 9.84% of annual covered payroll.

Annual Pension Cost

For 2009, the Town's annual pension cost of \$24,935 was equal to the Town's and employee's required and actual contributions. The required contribution was determined as part of the June 30, 2007 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return, (b) projected salary increases that range between 3.75% and 5.60% per year, and (c) 2.50% per year cost-of-living adjustments. Both (a) and (b) included an inflation component of 2.50%.

TOWN OF HAMILTON, VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS

The actuarial value of the Town's assets is equal to the modified market value of assets. This method was determined using techniques that smooth the effects of short-term volatility in the market value of assets over a five-year period. The Town's unfunded actuarial accrued liability is being amortized as a level percentage of payroll on an open basis within a period of 30 years or less.

Five year historical trend information for annual premium costs is as follows:

Fiscal Year Ended	Past Service Credit/Payment	Annual Premium Costs (APC)	% APC Funded	Net Pension Obligation
2009	\$ -	\$ 24,935	100%	None
2008	-	25,435	100%	None
2007	-	21,067	100%	None
2006	-	17,253	100%	None
2005	-	18,291	100%	None

Required Supplementary Information

Five-year historical trend information about the funding process is presented below as required supplementary information. This information is intended to help users assess the System's funding status on an on-going concern basis, assess progress made in accumulating assets to pay benefits when due, and make comparisons with other public employee retirement systems.

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded Actuarial Accrued Liability (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a/c)
June 30 2004	\$ 412,754	\$ 439,374	\$ 26,620	93.94%	\$ 175,550	15.16%
2005	420,852	517,191	96,339	81.37%	182,916	52.67%
2006	447,507	441,786	(5,721)	101.29%	135,936	-4.21%
2007	499,844	454,930	(44,914)	109.87%	197,537	-22.74%
2008	553,686	495,244	(58,442)	111.80%	189,590	-30.83%

E. Pending Litigation

The Town of Hamilton has been named in a lawsuit alleging that established water and sewer availability/connection fees are excessive and requests a refund of the difference between the fees charged and fair and reasonable amounts. The lawsuit does not state specific damages or identify what are fair and reasonable fees. The Town believes all fees charge are fair and reasonable and intends to defend their position along with providing a comprehensive rate study and analysis.

TOWN OF HAMILTON, VIRGINIA
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2009

	Original & Final Budget	Actual	Variance Positive (Negative)
Sources of Revenues			
General Property Taxes			
Real and personal property taxes	\$ 197,500	\$ 187,857	\$ (9,643)
Penalties and interest	200	1,764	1,564
Total General Property Taxes	<u>197,700</u>	<u>189,621</u>	<u>(8,079)</u>
Other Local Taxes			
Sales taxes	120,000	108,045	(11,955)
Motor vehicle licenses	9,500	10,111	611
Consumer utility tax	23,000	29,566	6,566
Total Other Local Taxes	<u>152,500</u>	<u>147,722</u>	<u>(4,778)</u>
Permits, Fees, and Licenses			
Zoning income	1,500	4,600	3,100
Business licenses	10,000	12,668	2,668
Total Permits, Fees and Licenses	<u>11,500</u>	<u>17,268</u>	<u>5,768</u>
Revenues from Use of Money and Property			
Interest on bank deposits	<u>15,000</u>	<u>26,828</u>	<u>11,828</u>
Miscellaneous Revenue			
Total miscellaneous revenue	<u>1,000</u>	<u>1,374</u>	<u>374</u>
Intergovernmental			
ABC profits and wine taxes	750	-	(750)
Virginia personal property tax	23,500	23,496	(4)
Total Intergovernmental	<u>24,250</u>	<u>23,496</u>	<u>(754)</u>
Total General Fund Revenues	<u>\$ 401,950</u>	<u>\$ 406,309</u>	<u>\$ 4,359</u>

The notes to the financial statements are an integral part of this schedule.

TOWN OF HAMILTON, VIRGINIA
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
For the Year Ended June 30, 2009

	Original & Final Budget	Actual	Variance Positive (Negative)
General Government			
Administration			
Permanent salaries	\$ 128,600	\$ 88,039	\$ 40,561
Payroll taxes	8,850	6,161	2,689
Pension contribution	8,500	5,057	3,443
Worker's benefits	43,500	14,587	28,913
Audit	12,000	11,750	250
Legal fees	39,000	67,867	(28,867)
Advertising	4,850	987	3,863
Postage and printing	5,450	3,932	1,518
Telephone	3,200	2,869	331
Mayor and Town Council contingencies	1,000	883	117
Training	1,000	1,328	(328)
General office expenses	9,700	7,791	1,909
Building and grounds			
Electricity	2,500	2,857	(357)
Maintenance	800	13,036	(12,236)
Mowing	18,000	12,405	5,595
Other expenses			
Insurance	24,700	20,732	3,968
Membership dues	550	594	(44)
Administrative contingencies	1,300	648	652
Recreation and activities	5,000	3,473	1,527
Planning commission	6,500	7,738	(1,238)
Computer/Software support	13,500	13,402	98
Total General Government	<u>338,500</u>	<u>286,136</u>	<u>52,364</u>
Public Safety Donations	<u>4,000</u>	<u>-</u>	<u>-</u>
Public Works			
Trash removal	50,000	47,365	2,635
Training	2,500	-	2,500
Membership dues	450	-	450
Street lighting	6,500	6,747	(247)
Streets and sidewalks	-	5,092	(5,092)
Total Public Works	<u>59,450</u>	<u>59,204</u>	<u>246</u>
Debt Service			
Principal	-	1,205	(1,205)
Interest	-	295	(295)
Total Debt Service	<u>-</u>	<u>1,500</u>	<u>(1,500)</u>
Other Financing Uses			
Transfers out	-	88,921	(88,921)
Total Other Financing Uses	<u>-</u>	<u>88,921</u>	<u>(88,921)</u>
Total General Fund Expenditures	<u>\$ 401,950</u>	<u>\$ 435,761</u>	<u>\$ (37,811)</u>

The notes to the financial statements are an integral part of this schedule.

**TOWN OF HAMILTON, VIRGINIA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2009**

	Special Revenue		Total
	Fire Programs Fund	Community Park Fund	
Assets			
Cash and cash equivalents	\$ 24,994	\$ 7,598	\$ 32,592
Certificates of deposit	-	8,678	8,678
Accounts receivable	8,000	-	8,000
Total assets	\$ 32,994	\$ 16,276	\$ 49,270
Liabilities and Fund Balances			
Liabilities	\$ -	\$ -	\$ -
Fund Balances			
Reserved for restricted use	32,994	16,276	49,270
Total liabilities and fund balance	\$ 32,994	\$ 16,276	\$ 49,270

The notes to the financial statements are an integral part of this statement.

TOWN OF HAMILTON, VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE:
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2009

	Special Revenue		
	Fire Programs Fund	Community Park Fund	Total
Revenues			
Contributions	\$ -	\$ 2,691	\$ 2,691
Intergovernmental	8,000	-	8,000
Sales	-	2,535	2,535
Interest	47	257	304
Miscellaneous	-	242	242
Total revenues	<u>8,047</u>	<u>5,725</u>	<u>13,772</u>
Expenditures			
Public safety	-	-	-
Supplies	-	-	-
Maintenance	-	855	855
Total expenditures	<u>-</u>	<u>855</u>	<u>855</u>
Excess (deficiency) of revenues over (under) expenditures	8,047	4,870	12,917
Other Financing Sources (Uses)			
Transfers in	-	-	-
Fund balances - beginning	<u>24,947</u>	<u>11,406</u>	<u>36,353</u>
Fund balances - ending	<u>\$ 32,994</u>	<u>\$ 16,276</u>	<u>\$ 49,270</u>

The notes to the financial statements are an integral part of this statement.

**TOWN OF HAMILTON, VIRGINIA
 COMPUTATION OF LEGAL DEBT MARGIN
 JUNE 30, 2009**

Assessed value of taxable real property	<u>\$ 67,022,400</u>
Debt limit (10% of assessed value)	6,702,240
Amount of debt applicable to debt limitation	<u>-</u>
Legal debt margin	<u>\$ 6,702,240</u>

Section 15.1-176 of 1950 Code of Virginia, as amended, limits to 10% of the assessed valuation of the real estate subject to taxation as the amount of debt which can be issued by the town. Debt includes any bonds or other interest bearing obligations including existing indebtedness. Excluded from the debt margin calculation are bonds payable from enterprise funds issued under Article VII Section 10(a)(2) of the Constitution of Virginia (formerly Clause (B) of Section 127 of the Constitution of Virginia). This exclusion applies to the 1999 and 2002 bond obligations.

Assessed value is as of January 1, 2009 and excludes real property owned by public service corporations.

TABLE 1

**TOWN OF HAMILTON, VIRGINIA
GENERAL GOVERNMENT REVENUES BY SOURCE
LAST TEN FISCAL YEARS**

Fiscal Year	General Property Taxes	Other Local Taxes	Licenses, Permits, and Fees	Interest	Miscellaneous	Inter-governmental	Total
2000	\$ 107,363	\$ 65,935	\$ 14,140	\$ 13,441	\$ 768	\$ 3,215	\$ 204,862
2001	119,494	92,192	31,314	14,571	1,145	2,846	261,562
2002	138,520	136,031	34,844	9,791	18,100	2,320	339,606
2003	152,597	137,677	19,763	8,772	175	1,735	320,719
2004	145,636	159,448	22,859	8,808	607	21,513	358,871
2005	153,159	173,519	33,707	14,451	2,241	22,097	399,174
2006	185,535	165,111	19,297	26,849	9,879	24,910	431,581
2007	211,243	167,409	25,441	42,299	2,189	24,171	472,752
2008	202,246	159,345	14,819	46,713	1,541	24,171	448,835
2009	189,621	147,722	17,268	26,828	1,374	23,496	406,309

TABLE 2

**TOWN OF HAMILTON, VIRGINIA
GENERAL GOVERNMENT EXPENDITURES BY FUNCTION
LAST TEN FISCAL YEARS**

Fiscal Year	General Government	Public Safety	Public Works	Debt Service	Total
2000	\$ 146,708	\$ 2,000	\$ 40,521	\$ -	\$ 189,229
2001	152,086	2,000	39,640	-	193,726
2002	168,214	2,000	62,154	-	232,368
2003	180,716	2,000	70,599	-	253,315
2004	219,078	2,000	50,526	-	271,604
2005	251,155	4,000	52,923	1,277	309,355
2006	284,220	4,000	57,698	1,277	347,195
2007	340,647	4,000	54,172	1,277	400,096
2008	278,694	4,000	65,457	1,481	349,632
2009	286,136	-	59,204	1,500	346,840

TABLE 3

**TOWN OF HAMILTON, VIRGINIA
 ASSESSED VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS**

Fiscal Year	Real Property	Personal Property	Public Utilities	Total
2000	\$ 30,277,592	\$ 2,044,239	\$ 578,234	\$ 32,900,065
2001	34,133,636	2,083,368	585,221	36,802,225
2002	40,552,582	2,165,947	677,417	43,395,946
2003	44,119,240	2,234,764	734,032	47,088,036
2004	47,764,756	2,708,305	890,725	51,363,786
2005	55,213,950	2,940,066	925,170	59,079,186
2006	69,592,500	3,402,622	951,428	73,946,550
2007	81,805,650	3,593,170	1,425,553	86,824,373
2008	80,299,150	3,206,575	1,603,440	85,109,165
2009	71,953,850	3,258,830	1,877,614	77,090,294

Total assessed value is based on 100 percent of estimated actual value

Real estate assessed value is average of current year and prior year January 1 valuations.

TABLE 4

**TOWN OF HAMILTON, VIRGINIA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Total Collection as Percent of Current Levy
2000	\$ 100,472	\$ 103,110	102.63%	\$ 4,253	\$ 107,363	106.86%
2001	117,383	117,054	99.72%	2,439	119,493	101.80%
2002	133,882	130,853	97.74%	7,666	138,519	103.46%
2003	146,329	145,202	99.23%	7,395	152,597	104.28%
2004	163,231	161,980	99.23%	3,781	165,761	101.55%
2005	170,525	173,320	101.64%	913	174,233	102.17%
2006	181,947	181,415	99.71%	2,717	184,132	101.20%
2007	209,259	206,491	98.68%	3,360	209,851	100.28%
2008	200,089	195,353	97.63%	3,957	199,310	99.61%
2009	182,428	187,787	102.94%	2,090	189,877	104.08%

Note: Penalties and interest are not included in any of the values.