TOWN OF FALMOUTH

FINANCIAL STATEMENT PRESENTATION

June 30, 2010

Financial Overview

Presented by:

Greg Chabot

RUNYON KERSTEEN OUELLETTE

Recently, the Town of Falmouth completed the financial audit process. The Town has received an unqualified opinion for fiscal year 2010 and also once again received the Certificate of Achievement for Excellence in Financial Reporting for its 2009 CAFR. This is the highest award given in governmental financial reporting.

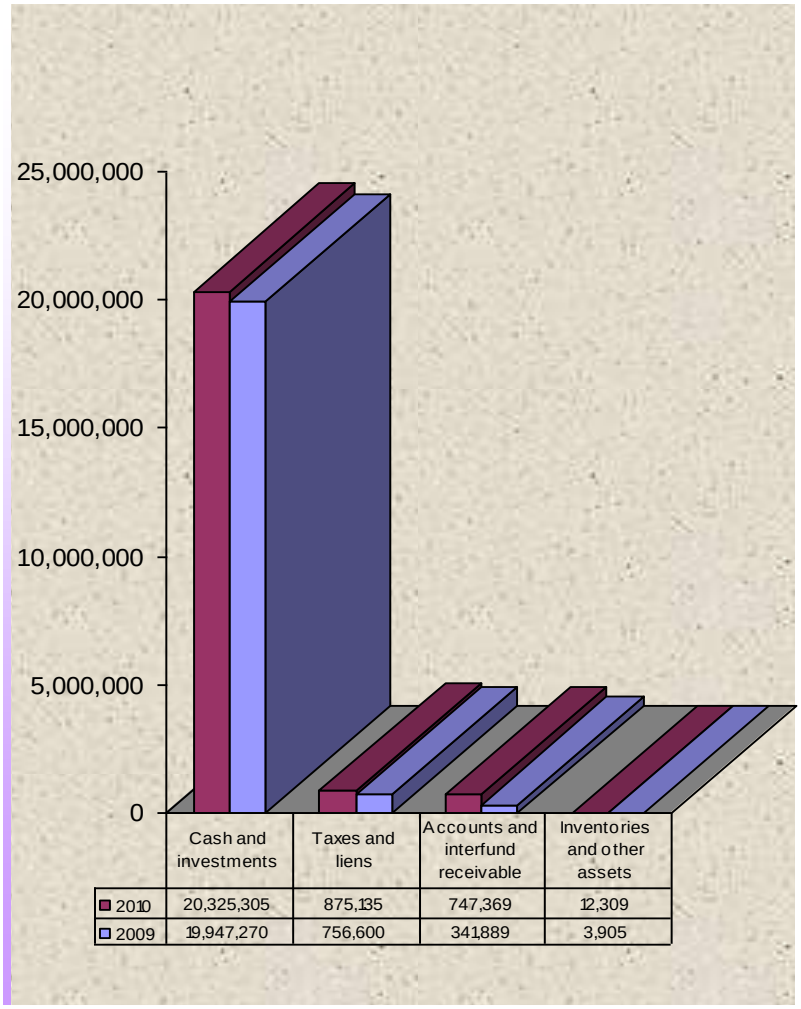
Further, the Town had no significant deficiencies required to be reported under Government Auditing Standards and no findings related to its administration of federal awards.

The remainder of this publication is dedicated to providing you with the financial results for fiscal year 2010 as well as trend information for certain areas.

We hope you find this information useful and understandable. Finally, we wish to express our appreciation to all the members of the Town and School department staff who were so helpful to us during the audit process.

Key Performance Indicators

Assets



	Cash and investments	Taxes and liens	Accounts and interfund receivable	Inventories and other assets
2010	20,325,305	875,135	747,369	12,309
2009	19,947,270	756,600	341,889	3,905

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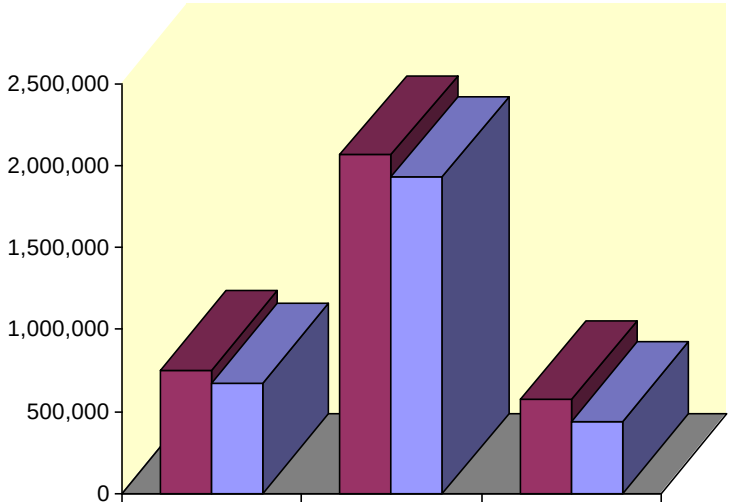
.1. Assets
2. Liabilities And Fund Equity
3. Revenues Table
4. Expenditure Table
5. Property tax collection rates and tax commitment
6. General Fund revenues and expenditures – 2009 and 2008

SUMMARY OF SIGNIFICANT CHANGES

- The 2010 cash balance decreased by approximately $378K.
- Taxes and liens increased by $118,535 as the collection rate only decreased .1% from 97.7% to 97.6%.
- Accounts and interfunds receivable increased approximately $405K as a result of the timing of reimbursements to the General Fund and timing of receivables – primarily school ARRA funding.
- Total assets increased by $910,458.

Runyon Kersteen Ouellette

GENERAL FUND LIABILITIES

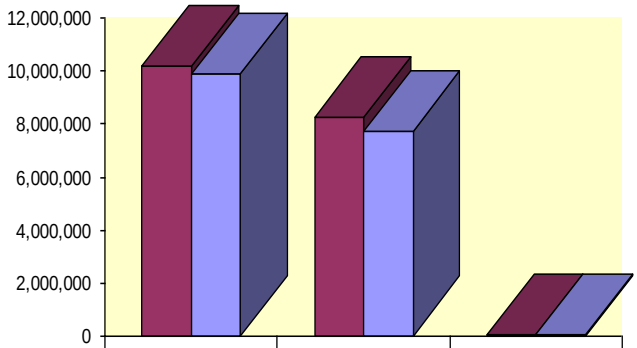


	Payable and accrued liabilities	Teacher summer salaries	Deferred revenue
2009	754,098	2,065,812	570,626
2008	677,784	1,935,562	440,563

SUMMARY OF SIGNIFICANT CHANGES

- Changes in accounts payable and accrued liabilities are simply a result of the timing of payments at year end.
- Teacher summer salaries represent payroll earned in June of 2009, but paid in July and August of 2009. This amount increased $130,250.
- Deferred revenue represents taxes still unpaid 60 days after the end of the year. These amounts are not recognized as revenues in the current year. The collection rate remained high at 97.7% in 2009. Deferred revenue increased by 130k.

GENERAL FUND EQUITY



	Undesignated	Designated	Reserved
2010	10,172,493	8,275,624	56,735
2009	9,892,643	7,702,412	64,073

SUMMARY OF SIGNIFICANT CHANGES

- Designated fund balance changes annually based on the status of capital improvements and reserve accounts as well as changes in the School Department fund balance. Full detail can be seen in the notes to the basic financial statements (page 48-49). Designated fund balance has increased by $573,212 from 2009 to 2010 and total fund balance increased by $845,724.
- Undesignated fund balance increased $279,850 and is 26.4% of general fund expenditures at 6/30/10 compared with 24.6% in 6/30/09.

GENERAL FUND REVENUES

	Budget	Actual	Variance
Taxes	**28,061,016**	**28,104,758**	**43,742**
Licenses, permits and fees	**347,900**	**403,230**	**55,330**
Intergovernmental	**7,289,104**	**7,486,580**	**197,476**
Charges for services	**626,900**	**521,217**	**(105,683)**
Fines and forefeitures	**44,000**	**49,232**	**5,232**
Investment earnings	**235,000**	**84,612**	**(150,388)**
Other	**31,000**	**250,126**	**219,126**
Total revenue	**36,634,920**	**36,899,755**	**264,835**

SUMMARY OF SIGNIFICANT CHANGES

- Intergovernmental revenues was under budget in due to education revenues being below estimates but exceeded budget in total due to revenues in the reserve accounts of $763,901 for various purposes including $310,000 in the Open Space Reserve and $183,262 in Street Improvements.

- Charges for services was under budget in mooring fees ($51,113) , ambulance charges ($38,210) and composting revenues ($23,183).

- Investment earnings were only under budget by $150,38 but under prior year by $237,072. Interest includes interest revenue on reserves.

GENERAL FUND EXPENDITURES

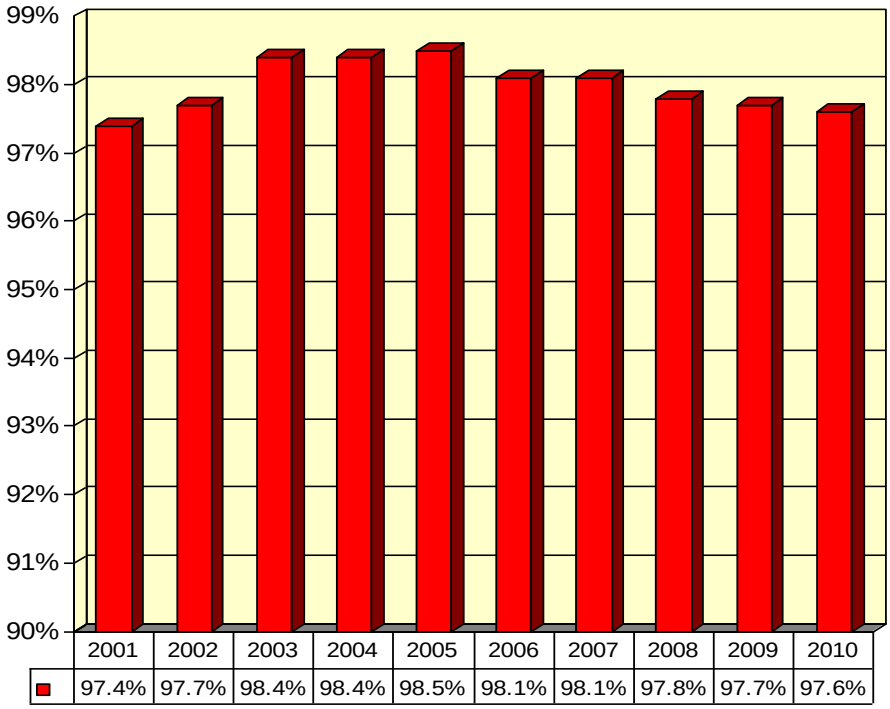
	Budget	Actual	Variance
General government	1,114,159	1,045,930	68,229
Financial management	866,538	824,418	42,120
Public safety	2,900,827	2,846,123	54,704
Public works	1,939,320	1,727,841	211,479
Community development	592,412	545,659	46,753
Community programs	449,994	372,526	77,468
Education (see footnote below)	24,890,667	22,993,491	1,897,176
Non-departmental	513,000	480,747	32,253
County tax	1,134,475	1,134,475	-
Capital improvements (see footnote below)	7,978,840	2,061,775	5,917,065
Debt service	2,037,500	2,021,046	16,454
Total expenditures	44,417,732	36,054,031	8,363,701

SUMMARY OF SIGNIFICANT CHANGES

The education and capital improvement budgets include utilization of carry forward balances from FY 09 totaling $7,702,412 ($1,643,462 education and $6,058,950 capital improvements). Following accepted accounting procedure, the authorized carry-forward amounts are reported in the "Budget" column.

A total of $8,275,624 has been carried forward to FY 11 ($1,354,118 education and $6,921,506 capital improvement reserves). See page 48 and 49 of the footnotes.

PROPERTY TAX COLLECTION RATES



	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
■	97.4%	97.7%	98.4%	98.4%	98.5%	98.1%	98.1%	97.8%	97.7%	97.6%

TAX COMMITMENT

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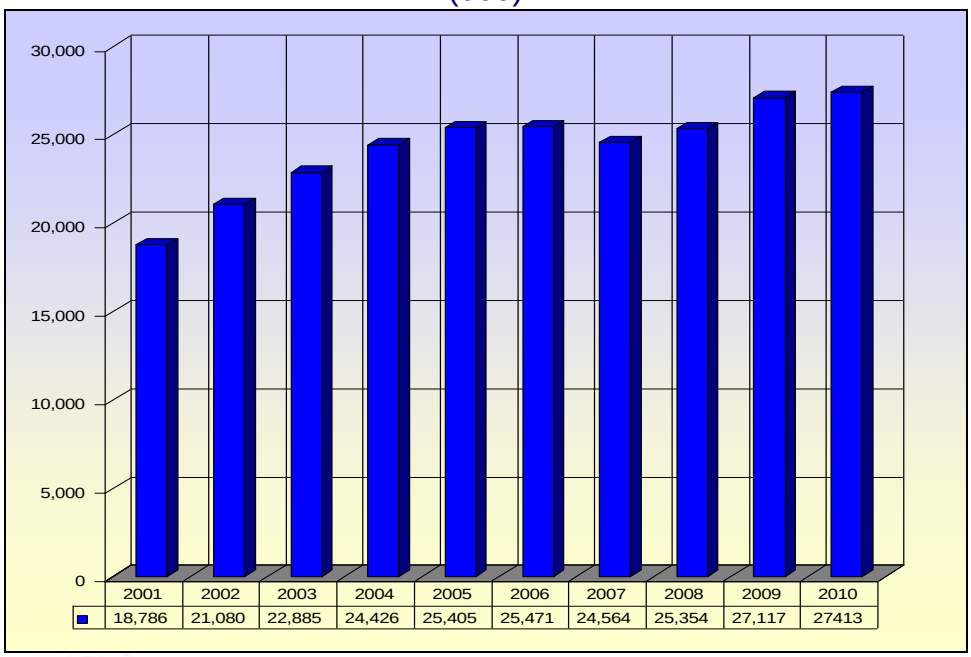
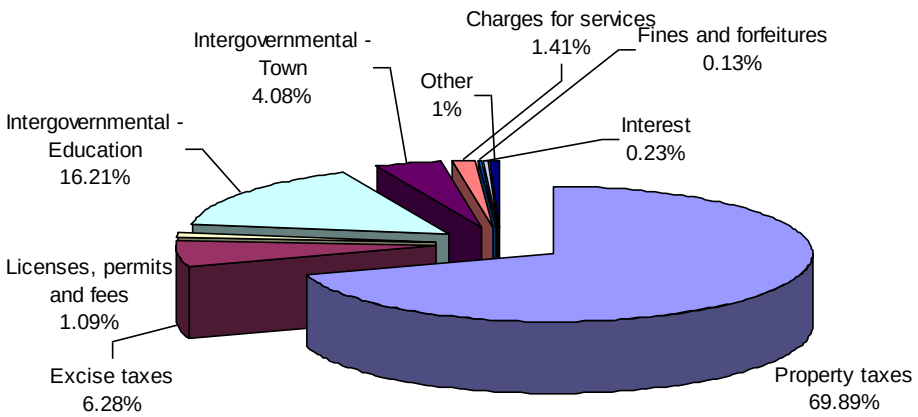


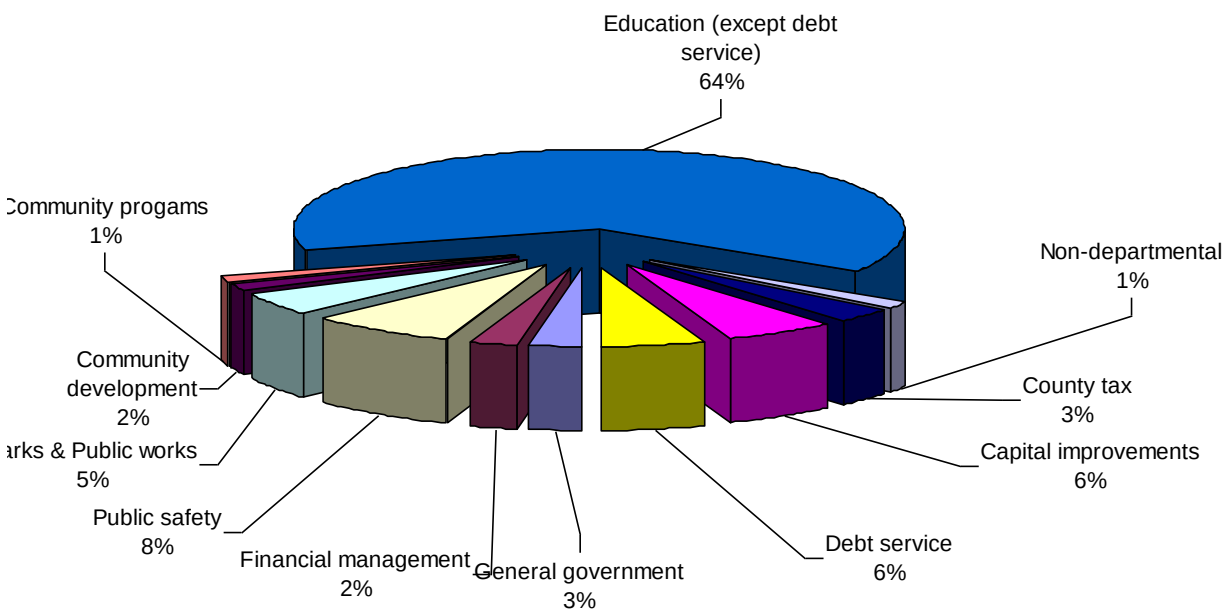
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
■	18,786	21,080	22,885	24,426	25,405	25,471	24,564	25,354	27,117	27413

2010 REVENUES AND EXPENDITURES – GENERAL FUND

Revenues

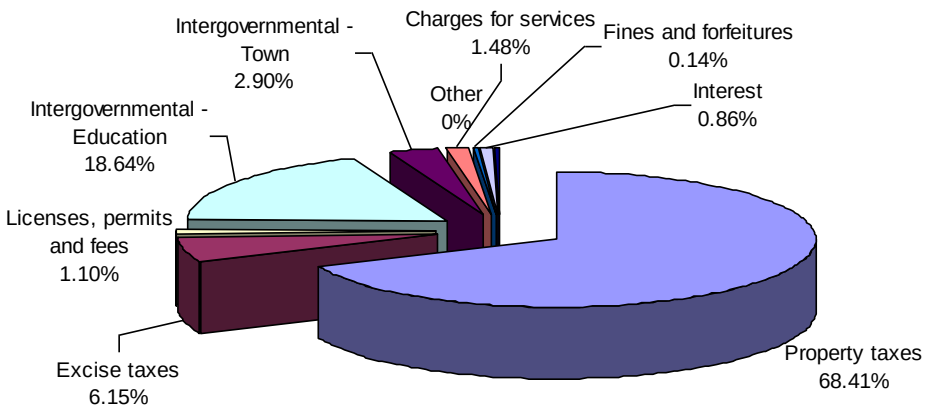


Expenditures

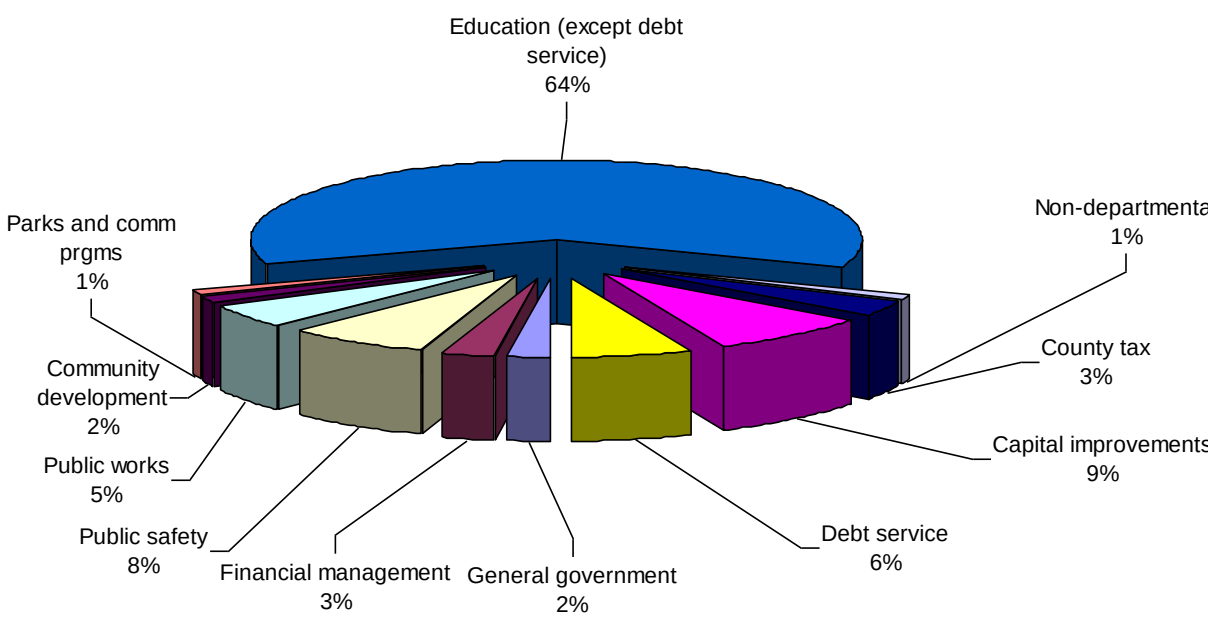


2009 REVENUES AND EXPENDITURES – GENERAL FUND

Revenues



Expenditures



FINAL WORDS

This presentation is intended as a tool to assist the Town Council and management in understanding its financial operating results.
The information contained in this publication should be read in conjunction with the audited financial statements and related disclosures and should not be used for any other purposes without the expressed consent of

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