

## 2010 Year-End Financial Report

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**Attached please find the summary of our 2010 financial activity, as submitted by Finance in the Annual Town Reports.**

### *Comparative Statement of General Fund Appropriations & Expenditures*

*Reflects budgeted Town appropriations, expenditures and unexpended balances for 2010:*

- Amounts in the “Unexpended/Overdraft” column reflect line items which have come in under or over budget for 2010, which are available towards the Town’s 2010 year-end fund balance (and once audited, the 2011 tax rate).
- These Over/Under expended amounts incorporate Encumbrances/Carryovers to 2011 which reflects purchase orders issued and bids awarded by the Board of Selectmen prior to 12/31/10, as well as certain expenditures/contracts from 2010 for which invoices had not been received by year-end, as well as prior year capital appropriations which have not lapsed.
- Statement also reflects certain receipts which have been accepted by the Board and available as a direct offset to expenditures (Homeland Security/FEMA grants and State/ARRA funds used for Depot renovation).
- Total net unexpended balances from operating budget line items only, totals \$57,392, primarily due to savings in the Highway department. Some of these savings were transferred to the Assessing department, to fund the utility appraisal item approved by the Board in 12/10, resulting in a net “overexpended” shown in the Assessing line item.
- Total net unexpended items from the Capital projects represents \$106,385 that will be available towards the 2010 fund balance and 2011 tax rate.

### *General Fund Revenue Report*

*Presents estimated revenues as determined in setting the 2010 tax rate, as compared to actual annual revenues for 2010 and for 2009:*

- Overall, 2010 revenue came in approximately \$220,000, or 4.4% higher than what was budgeted for the tax rate and is generally available towards 2010 fund balance (and once audited, the 2011 tax rate).
- Sale of town property – Timing of the sale of the Armstrong property taken by tax deed was just after the tax rate setting (was unknown at the time if the Town would receive any bids on the property after multiple attempts to sell).
- Other general revenues such as Interest on Delinquent Taxes, Motor Vehicle registrations, Building Permit fees, Transfer Station revenues and Ambulance fees came in higher than budgeted; at the time the tax rate was set, several of these line items had been trending downward, so conservative estimates were used, and ultimately many of them rebounded late in the year.
- Overall, discounting the impact of funding related to specific warrant articles (i.e. Salt Shed & Depot), 2010 revenues as compared to 2009 were virtually equal. The decrease in Cable franchise fees (which were high in 2009 due to the change in timing of payments from Comcast) was countered by increases in various other line items such as Building Permit fees, Transfer Station revenues and Interest on Delinquent Taxes.

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## General Fund Balance Sheet

*Presents estimated year-end balances for asset, liability and fund balance accounts:*

- General fund assets are primarily limited to cash on hand and uncollected property taxes; investment of these cash balances is limited due to timing of requests for payment to the Windham School District
- General fund liabilities are primarily made up of remaining amounts owed to the School district for the school portion of taxes raised; this amount will be transferred to the School District in increments from January to June 2011
- Fund balance represents the difference between assets and liabilities (i.e. it does not represent a “cash balance” in a bank account); changes in fund balance from year to year are impacted favorably by unexpended budget amounts and revenues exceeding budget (as discussed above), however, the change in fund balance is also affected by changes in receivables, payables and deferred revenues throughout the year. The portion of 2010 ending fund balance that is not designated for encumbrances/carryovers is referred to as “Undesignated” and is generally available for reducing the tax rate in 2011. *This amount is an estimate as final audit adjustments may change this number. See below for prior year amounts:*

End of year budgetary basis fund balance:	2009	2008	2007
Available for tax rate setting	\$580,361	\$638,615	\$382,836
Amount used to reduce next year’s tax rate	\$280,361	\$338,615	\$82,836
Remainder	\$300,000	\$300,000	\$300,000

## Special Fund Summary

*Presents year-to-date activity for all non-general fund accounts, which are designated for a specific purpose.*

**COMPARATIVE STATEMENT OF APPROPRIATIONS AND EXPENDITURES**

	APPROPRIATIONS		RECEIPTS	TOTAL AMOUNT	EXPENDITURES	APPROPRIATIONS	BALANCES
	FORWARDED FROM 2009	APPROPRIATIONS 2010	AND REIMBURSE.				
<b>GENERAL GOVERNMENT</b>							
Town Officer's Salaries		3,690		3,690	3,068		622
Administration	5,586	503,480		509,066	503,556		5,510
Town Clerk's Expenses		209,800		209,800	209,200		600
Tax Collector's Expenses		161,850		161,850	153,320		8,530
Election and Registration		19,600		19,600	26,642		(7,042)
Cemetery		47,000		47,000	32,290	6,999	7,711
General Gov't Bldgs		482,370		482,370	470,989		11,381
Appraisal of Property		196,730		196,730	195,393	36,500	(35,163)
Information Technology	5,150	175,680		180,830	180,747		83
Town Museum		5		5			5
Searles Building		14,340		14,340	13,102		1,238
Legal Expenses		52,400	1,122	53,522	54,293		(771)
<b>PUBLIC SAFETY</b>							
Police Department	30,354	2,333,740		2,364,094	2,381,788		(17,694)
Contracted Police		5		5			5
Dispatching		470,690		470,690	473,627		(2,937)
Fire Department	35,968	2,699,245		2,735,213	2,729,279		5,934
Emergency Management		8,070		8,070	6,575		1,495
Community Development	14,000	448,130		462,130	450,473	5,434	6,223
<b>HIGHWAYS, STREETS, BRIDGES</b>							
Town Maintenance	122,501	1,177,770		1,300,271	1,081,926	152,630	65,715
Street Lights		13,490		13,490	14,572		(1,082)
<b>SANITATION</b>							
Solid Waste Disposal	2,009	879,890		881,899	903,830		(21,931)
<b>HEALTH</b>							
Health and Human Services		84,295	1,065	85,360	80,465		4,895
Animal Control		20,455		20,455	17,973		2,482
<b>WELFARE</b>							
General Assistance		57,040	19,262	76,302	55,042		21,260
<b>CULTURE AND RECREATION</b>							
Library		975,260		975,260	959,838		15,422
Recreation	500	186,115		186,615	181,599	700	4,316
Historic Comm.		1,000		1,000		1,000	
Conservation Comm.		2,350		2,350	2,350		
Senior Center		6,420		6,420	4,981		1,439
Cable TV Expenses		89,440		89,440	76,110		13,330
<b>DEBT SERVICE</b>							
Long Term Notes - P + I							
Interest - TANS		500		500			500
<b>CAPITAL OUTLAY</b>							
Salt Shed/Highway Garage		960,000		960,000	832,682	127,318	
Library Renovations	32,800			32,800	8,792	570	23,438
Depot Improvements	163,421		126,142	289,563	267,888	6,832	14,843
Lowell Road Bike Path	68,104			68,104			68,104
Road Improvements	56,700	300,000		356,700	317,572	39,128	
<b>OPERATING TRANSFERS OUT</b>							
Capital Reserve Funds							
<b>MISCELLANEOUS</b>							
Retirement		2,500		2,500	1,669		831
Insurance		248,805	1,000	249,805	251,243		(1,438)
Searles Bond Payment		12,160		12,160	12,160		
Use of Searles Revenue Fund		20,000		20,000	9,947		10,053
Searles Repairs-FB	7,725			7,725	7,725		
Other Reimbursable Grants			39,552	39,552	38,446	1,106	
Disaster Assistance Grants			26,043	26,043	25,982		61
Donations/Gifts	5,200		710	5,910	5,873		37
Property Maintenance Trust		30,000		30,000	30,000		
Earned Time Trust							
Refunds and Abatements		78,159	1,754	79,913	35,512		44,401
<b>OTHER GOVERNMENTAL DIVISIONS</b>							
School	13,585,500	33,735,239		47,320,739	32,585,500	14,735,239	
County		2,159,839		2,159,839	2,159,839		
<b>TOTALS</b>	<b>14,135,518</b>	<b>48,867,552</b>	<b>216,650</b>	<b>63,219,720</b>	<b>47,853,858</b>	<b>15,113,456</b>	<b>252,406</b>

## REVENUE REPORT - COMPARATIVE ANALYSIS AS OF DECEMBER 31, 2010

SOURCES OF REVENUE	Estimated Revenue For 2010	Actual Revenue @ 12/31/10	Actual Revenue @ 12/31/09	Increase (Decrease) 10-09	10 Percent of Estimate Received
<b><u>TAXES</u></b>					
Yield/Excavation Tax	\$ 1,867	1,867	3,079	(1,212)	100.0%
Interest & Penalties on Taxes	190,604	209,771	173,370	36,401	110.1%
Boat Taxes	14,200	15,010	11,026	3,984	105.7%
<b><u>INTERGOVERNMENTAL REVENUES</u></b>					
Highway Block Grant	278,167	278,167	256,964	21,203	100.0%
Rooms and Meals	576,734	576,734	573,334	3,400	100.0%
<b><u>LICENSES AND PERMITS</u></b>					
M V Permit Fees	2,580,000	2,597,627	2,600,432	(2,805)	100.7%
Building Permits	165,000	191,427	109,840	81,587	116.0%
Other Licenses and Permits:					
Dog Licenses	16,000	16,090	17,606		
Animal Officer Fees	2,200	2,335	3,045		
Planning Board Fees	9,000	12,214	22,300		
Board of Adjustment Fees	5,500	7,756	7,253		
Town Clerk Miscellaneous	4,000	4,999	4,576		
Gun Permits	1,100	1,425	1,440		
Subtotal Other Licenses/Permits	37,800	44,819	56,220	(11,401)	118.6%
<b><u>CHARGES FOR SERVICES</u></b>					
Cable TV Fees	192,000	197,033	353,672	(156,639)	102.6%
Income from Departments:					
Special Duty-Contracted Police	30,000	31,971	34,514		
Welfare Reimbursements	15,700	19,262	4,144		
Community Dev Miscellaneous	2,500	3,124	2,345		
Police Dept Miscellaneous	4,700	6,483	7,506		
Ambulance Fees	200,000	222,456	228,770		
Fire Dept Miscellaneous	10,000	21,889	14,275		
Transfer Station Fees	60,000	73,592	49,542		
Police - Accident Reports	1,700	2,253	2,218		
Recreation - Swim Lessons	5,600	5,604	4,273		
Subtotal Income from Dept's	330,200	386,634	347,587	39,047	117.1%
<b><u>MISCELLANEOUS REVENUES</u></b>					
Interest on Deposits	30,000	31,459	36,797	(5,338)	104.9%
Sale of Town Property	500	49,415	40,830	8,585	9883.0%
Other Miscellaneous Revenues:					
Intergovmtl/Fire SAFER Grant	126,917	145,392	134,925		
Other State/Fed Grants/FEMA	25,000	25,379	54,444		
Insurance/Other Reimb/Refunds	14,263	31,453	17,198		
Parking Fines	2,500	2,696	2,025		
Town Building Rent	8,200	9,325	6,400		
Selectmen Miscellaneous	8,500	8,128	25,107		
Donations/Grants	1,048	938	313		
Treasurer's Miscellaneous	500	1,290	2,267		
Town Clerk - Copy Fees	2,000	2,073	2,097		
Subtotal Other Miscellaneous	188,928	226,674	244,776	(18,102)	120.0%
<b><u>OTHER FINANCING SOURCES</u></b>					
Income from Trust Funds	560	560	1,017	(457)	100.0%
Income from Capital Reserve Funds	350,000	350,000	0	350,000	
Income from Revenue Funds	32,160	32,160	32,160	-	100.0%
Income from Other Sources:					
State of NH-Depot	-	-	35,403	(35,403)	#DIV/0!
State of NH/Donation-Castle Hill	-	-	-	-	
<b>TOTAL REVENUES</b>	<b>\$ 4,968,720</b>	<b>5,189,357</b>	<b>4,876,507</b>	<b>312,850</b>	<b>104.4%</b>

## Finance – Balance Sheet

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The following represents the General Fund balance sheet as of December 31, 2010 as prepared by the Town's Finance Department. This information is presented in draft form and has not been audited or reviewed by the Town's Independent Auditors.

This presentation omits substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included with the General Fund balance sheet, they might influence the user's conclusions about the Town's financial position. Accordingly, this General Fund balance sheet is not designed for those who are not informed about such matters.

### **BALANCE SHEET - General Fund as of December 31, 2010**

<b>ASSETS</b>	
Cash	\$13,168,580
Taxes receivable, net	2,613,893
Accounts receivable	78,839
Due from other funds	2,810
Due from other governments	49,440
Restricted cash - performance bonds	397,197
Restricted cash - other	12,722
<b>Total Assets</b>	<b>\$16,323,481</b>
<b>LIABILITIES &amp; FUND BALANCES</b>	
<b>Liabilities</b>	
Accounts payable	\$ 17,607
Deferred revenues	90,029
Deposits	397,197
Due to other funds	12,000
Due to other governments	14,735,239
<b>Total Liabilities</b>	<b>15,252,072</b>
<b>Fund Balances</b>	
Reserved for encumbrances	203,263
Unreserved:	
Designated for subsequent years' expenditures	173,848
Undesignated	694,298
<b>Total Fund Balances</b>	<b>1,071,409</b>
<b>Total Liabilities &amp; Fund Balances</b>	<b>\$16,323,481</b>

**Town Special Funds**  
**12/31/10**

*Note: Balances below reflect combined amounts held in custody by the Treasurer at Citizens, Centrix & TD Bank*

	<b>Beginning Balance 1/1/10</b>	<b>Income</b>	<b>Disbursements</b>	<b>Interest</b>	<b>Finance Balance 12/31/10</b>
Cable TV Trust Fund	288,233	29,739	79,337	2,518	241,152
Searles Special Revenue	13,440	15,899	22,107	17	7,250
Expendable Health Trust	162,859	403,165	295,670	1,338	271,692
Cemetery Operation Fund	95,715	3,600	100	943	100,157
Conservation Land Trust*	403,026	131,451	50,957	3,696	487,216
Road Bond Fund	9,220	0	0	13	9,233
Law Enforcement Fund	967	0	0	1	969
Town Clerk Special Acct	461	23,047	20,971	1	2,539
Recreation-Lacrosse	13,163	51,763	42,077	19	22,868
Recreation-Basketball	4,655	1,955	5,358	5	1,257
Recreation-Programs	1,752	72,430	70,235	5	3,952
Recreation-Tennis	2,520	4,861	3,537	5	3,849
Conservation Special	2,152	0	0	3	2,155
Police Public Safety Revolve Fd	93,859	319,708	292,059	214	121,722
Fire Public Safety Revolve Fd	22,402	27,648	26,266	39	23,823
Police Fed Asset Forfeiture	4,507	7,494	11,724	5	283
Subdivision Fees	76,673	32,435	24,599	0	84,509
Miscellaneous	5	0	0	0	5
Griffin Park Lighting	906	0	907	1	0
Rte 28 Emergency Fund	10,022	1,000	0	99	11,122
Recreational Improv Fund	5,276	0	5,278	3	0
Rail to Trail Fund	0	100	0	0	100
Police Impact Fee	3,881	13,621	0	12	17,514
Fire Impact Fee	6,888	21,781	0	21	28,690
High School Impact Fee	0	69,264	15,215	31	54,081
School Impact Fees (Traditional)	143,740	92,781	234,785	1,471	3,206
<b>Total</b>	<b>1,366,323</b>	<b>1,323,742</b>	<b>1,201,182</b>	<b>10,461</b>	<b>1,499,345</b>
<i>* Conservation fund balance does not reflect additional \$12,000 in current use funds collected in Dec 2010 and not yet transferred</i>					
<i>Trust Fund accounts (Held by Trustees of Trust Funds):</i>					
Property Trust	41,050	30,000	35,903	58	35,205
Earned Time Trust	158,574	0	0	225	158,799
Museum Trust	4,548	0	0	7	4,555