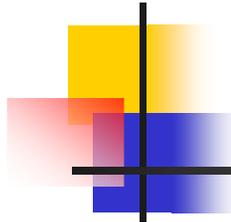


Interim 2008 Financial Update

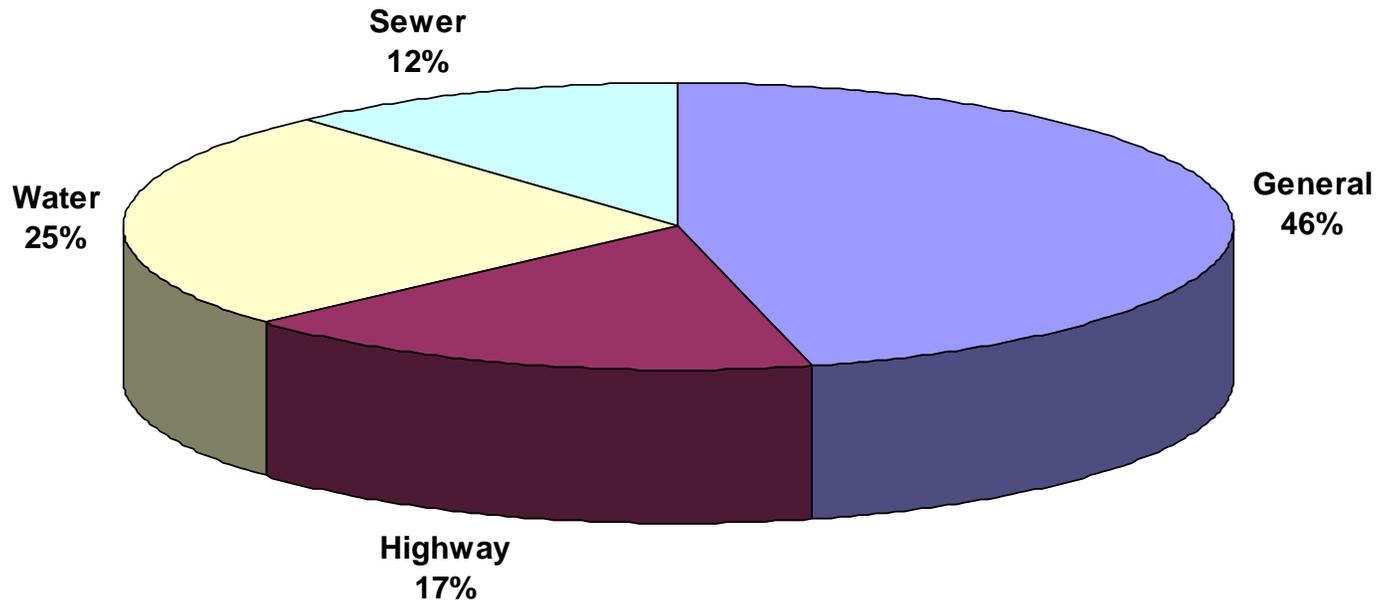
Presented by Judi Kehoe

June 13, 2008

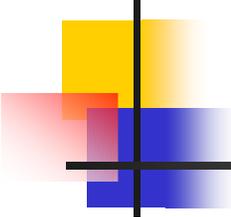


Four Separate Funds

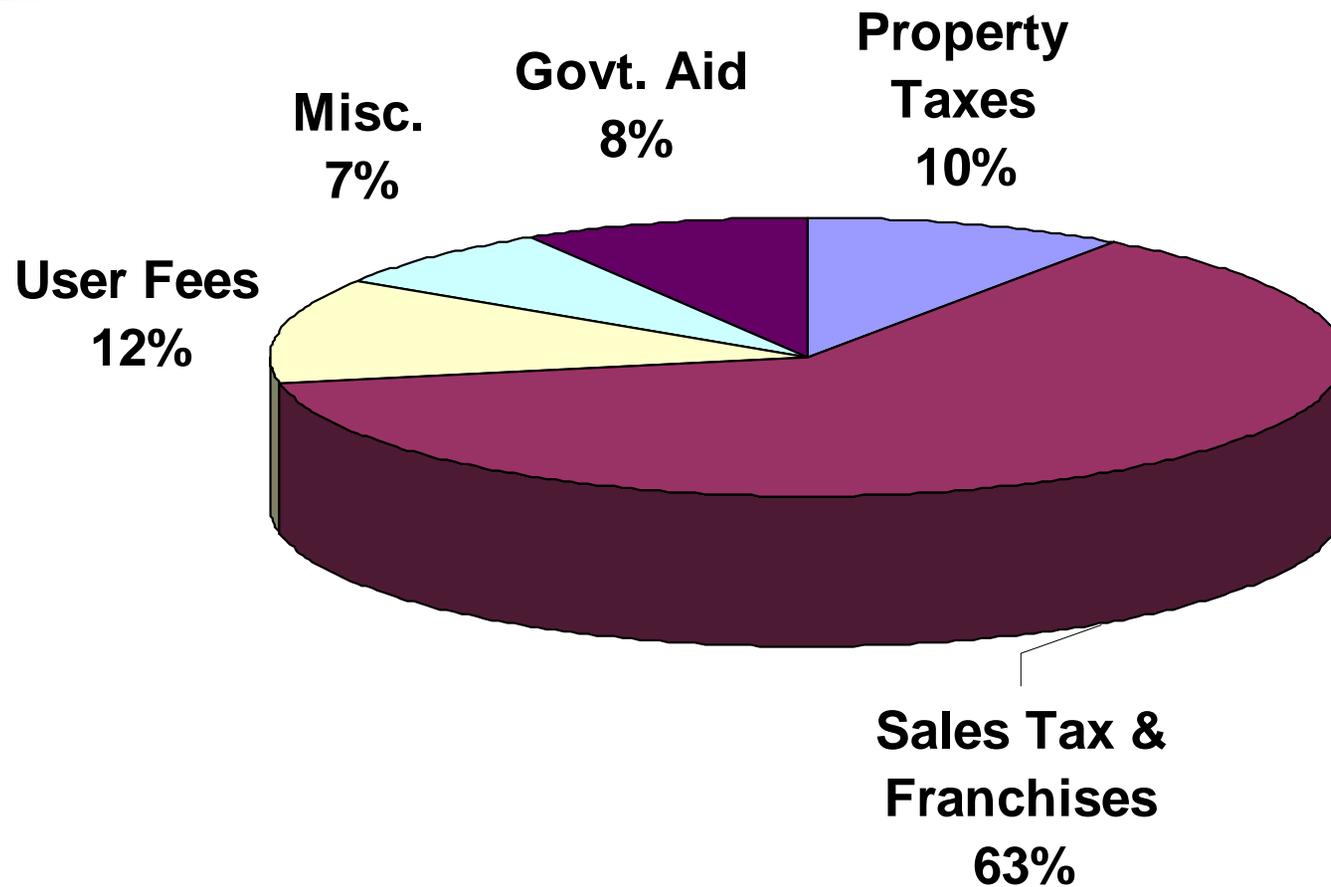
Water & Sewer Funds benefit a subset of residents

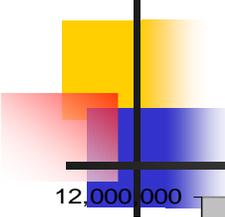


General Town & Highway Funds benefit all residents

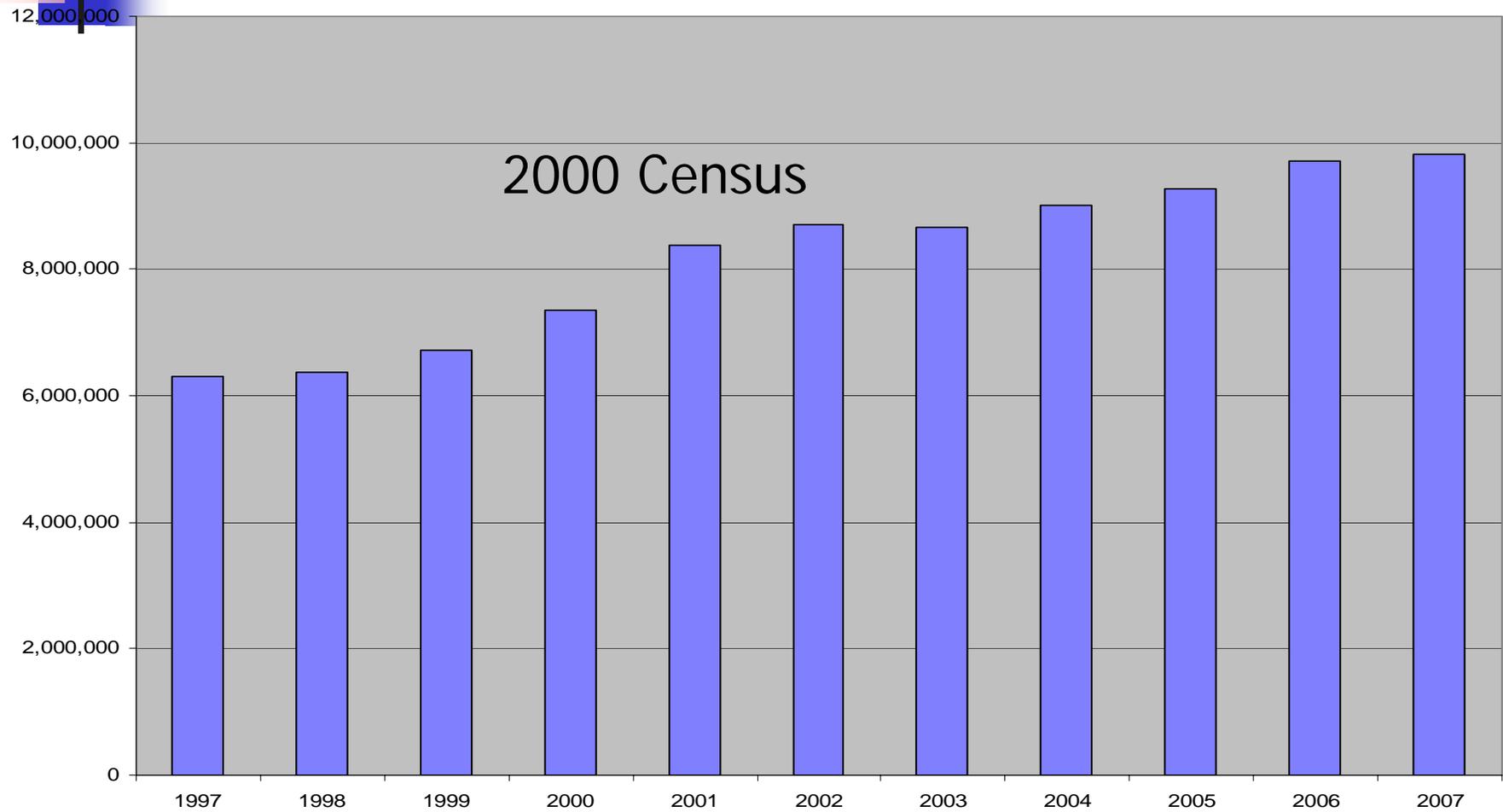


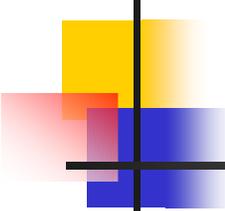
General Fund Revenues





Annual Sales Tax Receipts



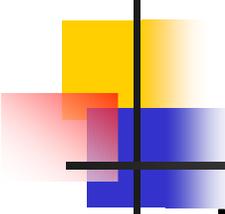


Summary of Expenditures – All Funds (in thousands)

	2007	2008	Change
Salary & Fringes	19,590	20,459	869
Equipment	2,364	2,399	35
Operating	12,508	13,110	602
Debt Service	1,780	1,657	(123)
Total	36,242	37,625	1,383

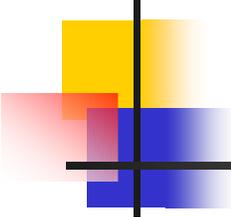
Overall increase in expenditures

3.8%



Use of Fund Balance

	Budgeted Use	Projected Actual	Variance
General	875,000	690,000	185,000
Highway	307,000	248,000	59,000
Water	974,000	987,000	(13,000)
Sewer	397,000	338,000	59,000



Sales Tax

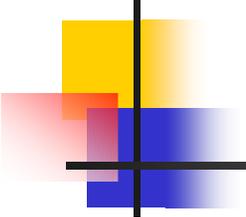
Quarterly Budget	Actual 1Q Receipt	Positive Variance
2.421m	2.535m	.114m

Times 4 quarters = \$.456m

= 3.3% growth = low odds

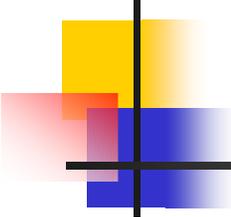
Growth '06 to '07 = 1.1%

1% growth in '08 = \$9.9m



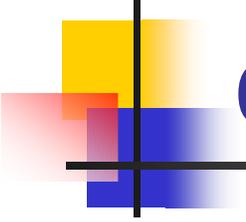
Investment Income

- Yields in 2008 are about 50% of 2007
 - Averaging 2.5% currently
- Will cause shortfall if no improvement
- Operating funds may be short \$195,000
- ½ of 1% in overall budget
 - Disappointing, but not a budget-buster



Bottom Line

- Expenditures: at or below budget
- Revenues: close to budget
- Use of fund balance: less than budget
- Overall financial position: all funds still in good health as of year end



Beginning Creation of the 2009 Budget

- Seeking expenditure containment
- Minimize extent of use of fund balance
 - Need to approach a balanced budget
 - Need to maintain adequate fund balance levels for overall fiscal health and cash flow requirements
- Maximize non-tax revenue sources