

Town of Durham

FINANCIAL OVERVIEW

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RUNYON KERSTEEN OUELLETTE

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About this presentation

This presentation is intended as a tool to assist the Town Board of Selectmen 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 *RUNYON KERSTEEN OUELLETTE*.

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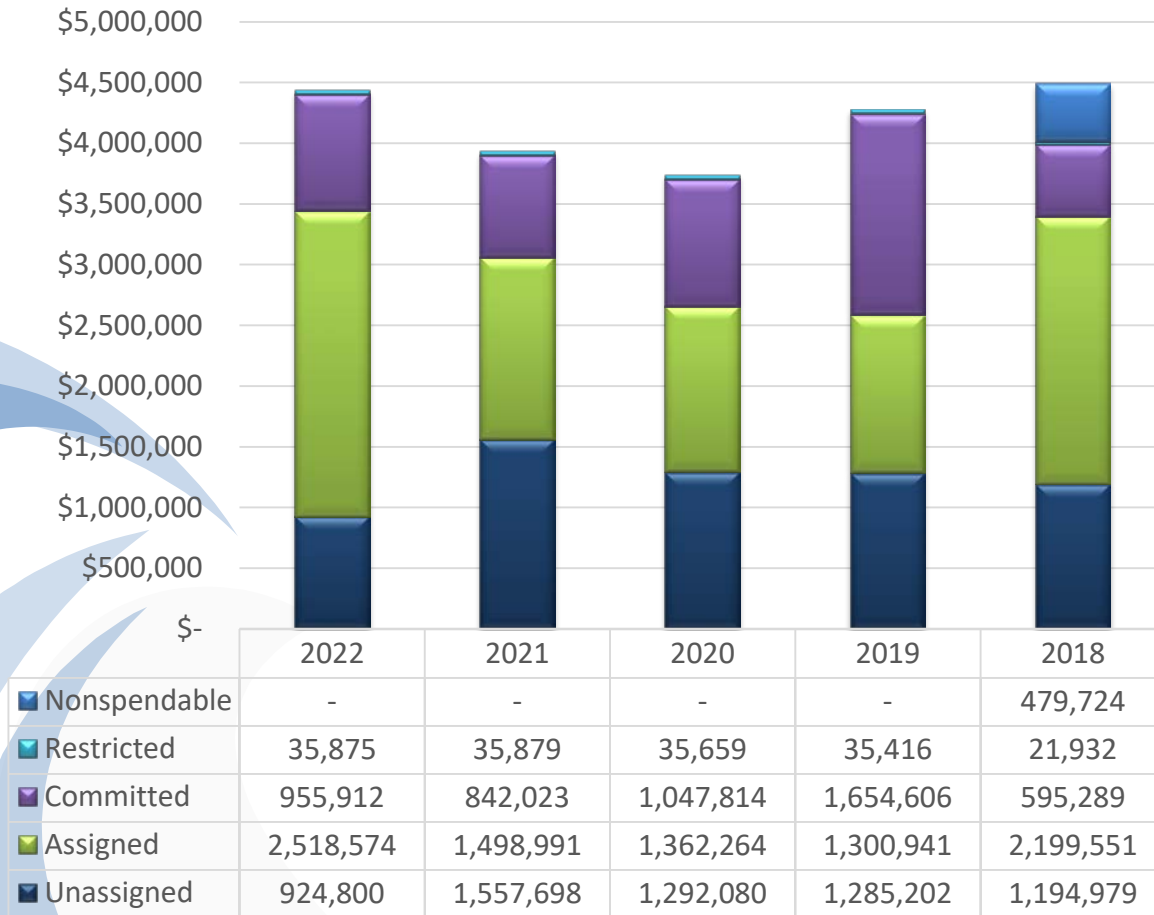
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SUMMARY OF AUDIT RESULTS

- Timing of Audit
 - Audit performed the week of February 6, 2023
 - Reports issued August 17, 2023
 - Financial Statement Opinion – Unmodified
- Report Required by *Government Auditing Standards (GAS)*
 - Finding related to budget over expenditure
 - Material weakness related to cash account reconciliations
 - Significant deficiency related to segregation of duties
 - Significant deficiency related to preparation of financial statements and audit adjustments

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General Fund – Fund Balance



- **Restricted fund balance** includes unspent grant, donation, and scholarship funds.
- **Committed fund balance** includes balances that were set aside for specific uses and are non-lapsing per town vote.
- **Assigned fund balance** includes approved carry forwards and budgeted use of fund balance.
- **Unassigned fund balance** represents the remaining fund balance not restricted or assigned for specific purposes.
- **Total fund balance** increased by \$480,570 from 2021 to 2022.

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GENERAL FUND - REVENUES

	Budget	Actual	Variance
Taxes	\$8,682,585	8,757,597	75,012
Intergovernmental	971,594	1,229,863	258,269
Charges for Services	188,317	194,706	6,389
Investment income	32,486	21,022	(11,464)
Other revenues	9,814	77,941	68,127
Total revenues	9,884,796	10,281,129	396,333
Carry forward balances	343,089	-	(343,089)
Utilization of prior year surplus	82,154	-	(82,154)
Total revenues and other sources	\$10,310,039	\$10,281,129	\$(28,910)

- **Taxes** were higher than budgeted due to higher than anticipated vehicle excise taxes.
- **Intergovernmental revenue** was higher than budgeted due to higher than anticipated state revenue sharing and unbudgeted grant revenues.
- **Other revenues** were higher than anticipated due to higher miscellaneous refunds and revenues.
- **Total revenues** were higher than the budget by 4%.

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GENERAL FUND - EXPENDITURES

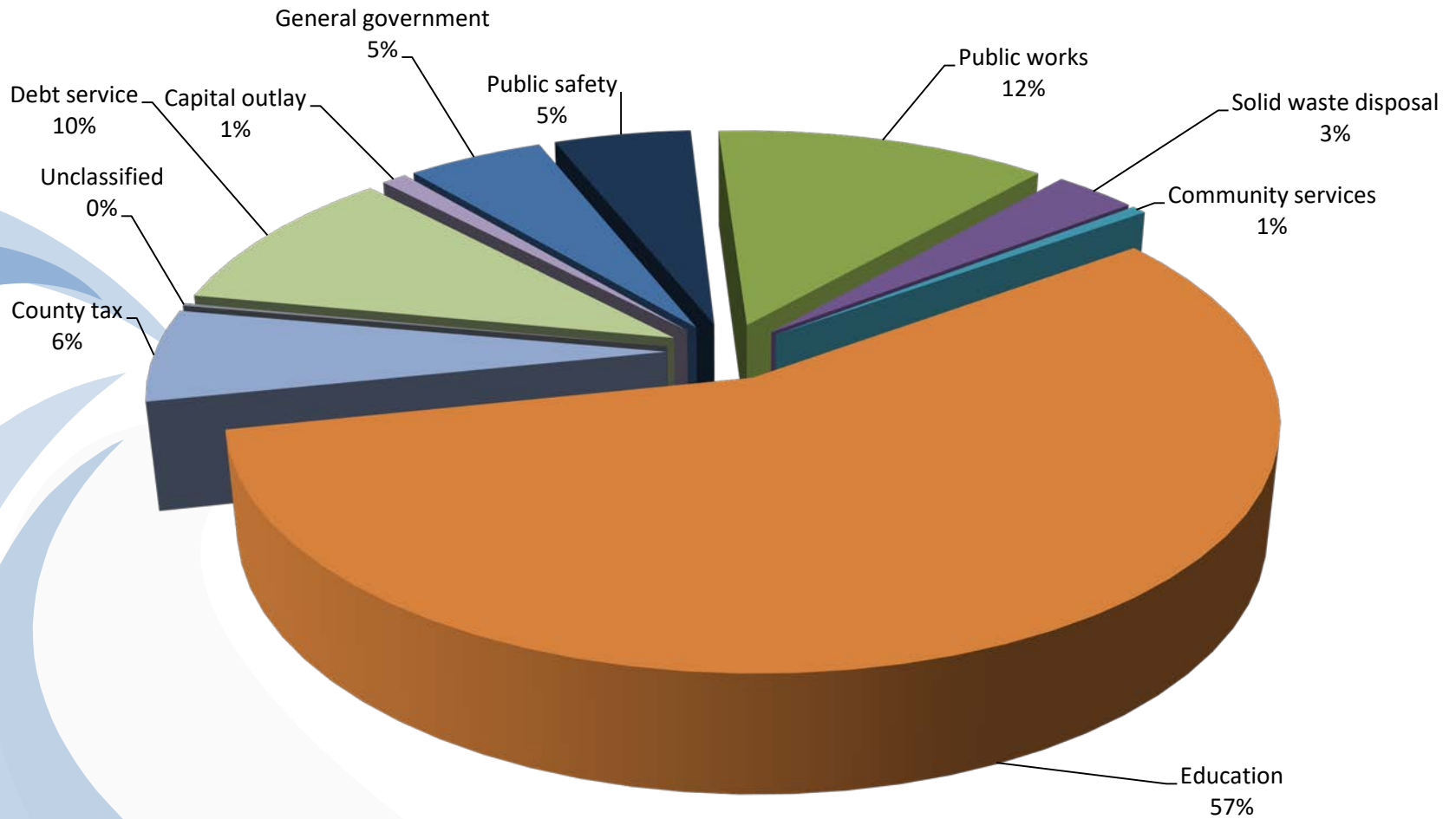
	Budget	Actual	Variance
General government	\$582,923	494,698	88,225
Public safety	496,153	499,388	(3,235)
Public works	1,250,000	1,210,165	39,835
Solid waste disposal	307,821	299,732	8,089
Community services	67,515	54,855	12,660
Education	5,537,964	5,537,963	1
County tax	600,886	600,886	-
Unclassified	135,974	16,703	119,271
Debt service	969,803	969,801	2
Capital outlay	361,000	91,040	269,960
Total expenditures	\$10,310,039	\$9,775,231	\$534,808

- **General government expenditures** were under budget due to turnover in management/ administrative positions and change in benefit selections.
- **Public safety expenditures** were over budget due to vendor invoices that were received late.
- **Public works expenditures** were under budget due to the reduced use of overtime, lower than anticipated paving costs, and changes in benefit selections.
- **Unclassified expenditures** were under budget as the budget includes the amount raised in overlay that was only used to offset \$16,703 in abatements.
- **Capital outlay expenditures** were under budget due to the timing of projects and capital purchases.



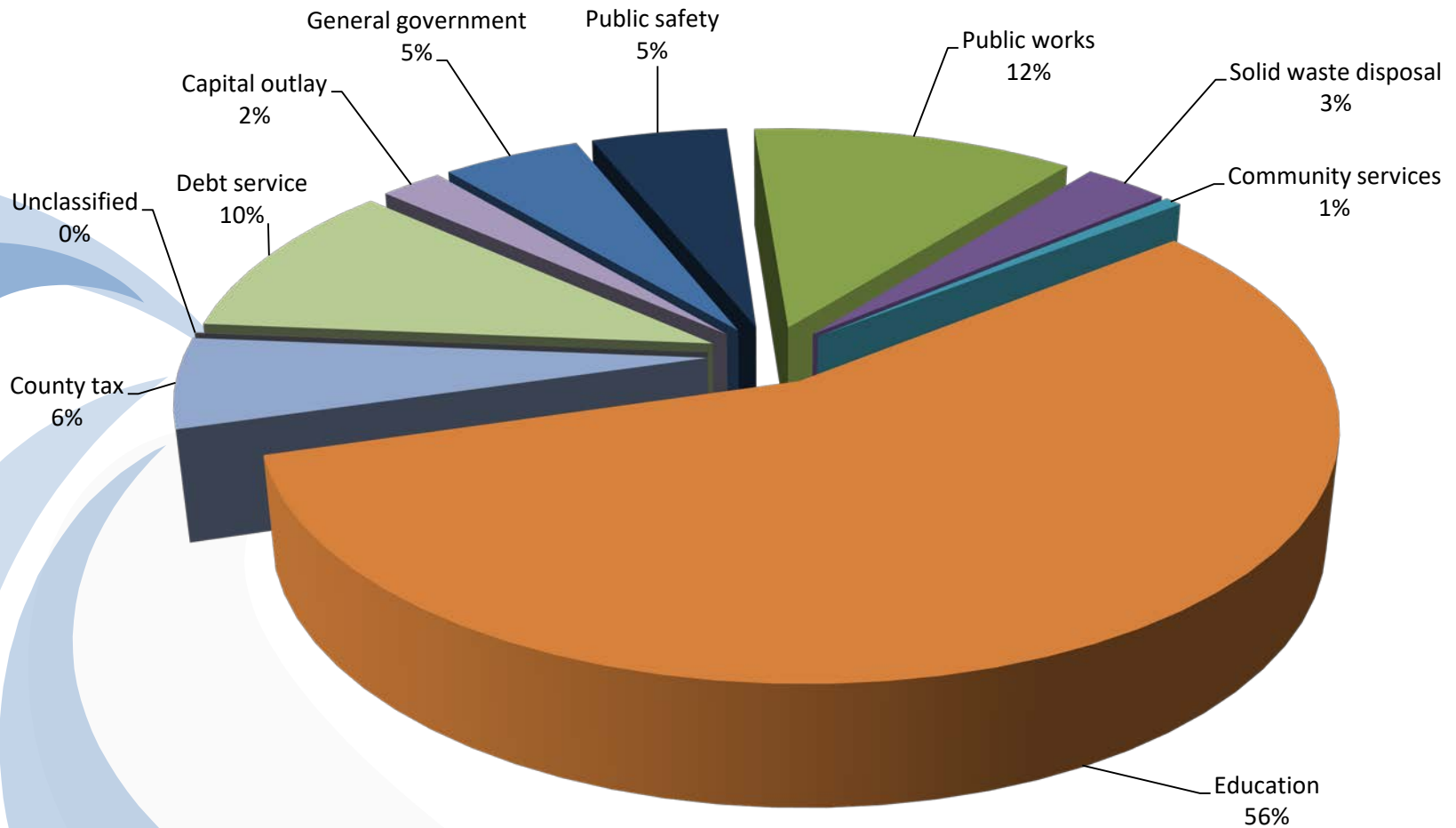
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General Fund – 2022 Expenditure Distribution



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General Fund – 2021 Expenditure Distribution



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General Fund – 2022 Committed Fund Balances - Reserves

Funds	Balance 1/1/2022	Receipts	Disbursements	Net Appropriations	Balance 12/31/2022
Emergency fund	16,953	-	-	-	16,953
Restoration fund	38,227	80	16,850	-	21,457*
Telecommunications	81,150	45,887	-	(43,056)	83,981
Municipal capital	97,632	-	-	-	97,632
Recreation	20,138	8,559	-	(4,955)	23,742
Fire/Rescue capital	225,401	-	63,000	59,000	221,401
Public works capital	289,039	-	-	171,911	460,950
Eureka center	2,719	-	-	-	2,719
Grants	27,077	-	-	-	27,077
Unspent bond proceeds	43,687	-	-	(43,687)	-
Total	842,023	54,446	79,850	139,213	955,912

*Held in separate bank account

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General Fund – 2022 Restricted Fund Balances

Funds	Balance 1/1/2022	Receipts	Disbursements	Balance 12/31/2022
Jackson Tupper Memorial Fund	\$ 123	-	-	123
Durham Heating Fund	10,985	600	340	11,245
Giving Tree	868	476	800	544
Historical District Commission	1,330	-	-	1,330
Subtotal – restricted funds in operating account	13,306	1,076	1,140	13,242
River Park Project	7,935	21	-	7,956
Scholarship Fund	14,638	39	-	14,677
Total	\$ 35,879	1,136	1,140	35,875

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Operating Cash Analysis

Available Funds	12/31/2022	12/31/2021	Change	
Total operating cash 12/31/2022	4,765,552.00	4,038,041.00	727,511.00	
Estimated non-tax revenues (first 7 1/4 months)	1,466,986.60 **	1,342,465.58	124,521.02	Excludes grants
Estimated expenditures (until next taxes are raised)	(5,850,865.40)	(5,628,321.21)	(222,544.19)	
Net available funds	381,673.21	(247,814.63)	629,487.84	
Operating cash balance 12/31/2022	4,765,552.00	4,038,041.00		
Restricted balances held in operating cash (1)	(13,242.00)	(13,306.00)	64.00	Restricted in purpose
Committed balances held in operating cash (2)	(955,912.00)	(842,023.00)	(113,889.00)	Can only be used for capital/other
Available for expenditures	3,796,398.00 5	3,182,712.00 4	(113,825.00)	
Actual expenditures through 12/31/2022	9,684,191.00 *	9,315,842.00	368,349.00	
One month's worth of expenditures	807,015.92	776,320.17	30,695.75	

Note: 7 and 1/4 months used as taxes are committed in August

*Excludes capital expenditures

**Excludes property and supplemental taxes

(1) - Scholarship and River Park restricted balances are held in separate bank accounts.