Exhibit A – November 13, 2014

Town of Kennebunkport

FINANCIAL OVERVIEW

Presented by:
Ryan Cormier

RUNYON KERSTEEN OUELLETTE

Recently, the Town of Kennebunkport completed the financial audit process for the year ended June 30, 2014. We are pleased to report that the Town's financial statements received an unmodified opinion, which means the financial statements are fairly stated in all material respects. The remainder of this publication is dedicated to providing you with the financial results for fiscal year 2014, and comparative information for prior years. We hope you find this information useful and understandable. We would also like to take this opportunity to congratulate the Town on receiving a CAFR award for the 2013 financial statements. Thanks to all your staff who were helpful to us during the audit. Special thanks to Jennifer Lord for all her hard work!

INSIDE

Runyon Kersteen Ouellette

About this presentation

This presentation is intended as a tool to assist the Board of Selectmen and management in understanding its financial operating results. The information contained in this publication should be read in conjunction with the comprehensive annual financial report and should not be used for any other purposes without the expressed consent of *RUNYON KERSTEEN OUELLETTE*.

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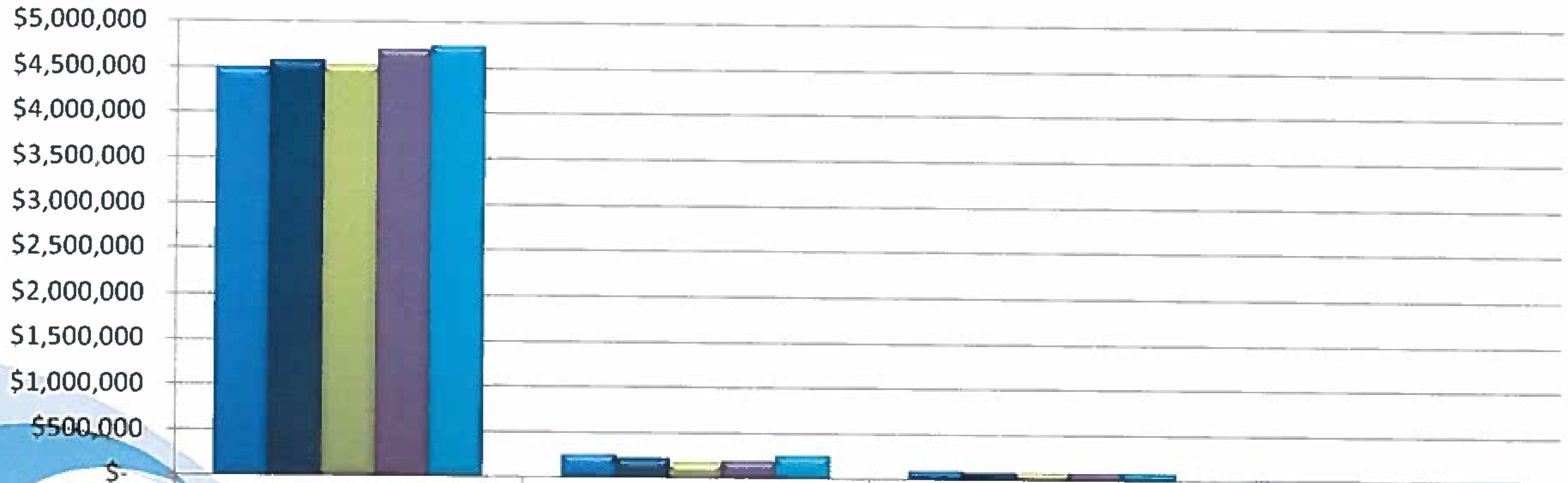
Town of Kennebunkport

GENERAL FUND ASSETS



	Cash & Investments	Tax & Lien Receivables	Accounts Receivable	Inventory and Prepaids
2010	$4,484,463	$237,543	$81,351	$12,118
2011	$4,567,728	$199,659	$69,232	$7,688
2012	$4,512,820	$167,459	$71,189	$10,753
2013	$4,695,250	$178,647	$76,628	$11,308
2014	$4,737,071	$243,847	$80,412	$15,209

Observations:

- Cash and investments have not changed significantly since 2010. Cash and investments are shown net of interfund loans which represents the share of the pooled cash belonging to other funds.
- Outstanding taxes and liens increased by approximately $65,200. The collection rate remained fairly steady at approximately 99%, but the total taxes committed was up significantly in 2014.

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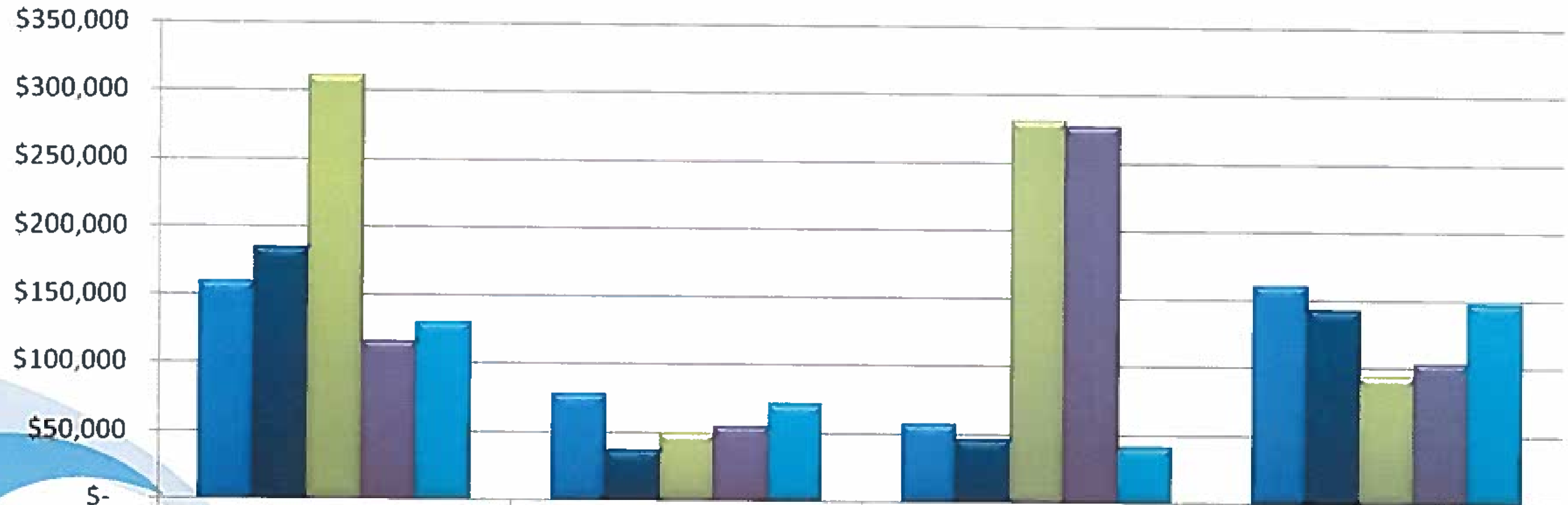
Town of Kennebunkport

GENERAL FUND LIABILITIES



	Accounts Payable/ Payroll Withholdings	Accrued Wages	Other	Unavailable Revenue
2010	$159,086	$77,514	$57,324	$160,023
2011	$183,498	$36,605	$46,482	$142,764
2012	$311,463	$49,455	$281,353	$93,866
2013	$114,880	$55,034	$276,963	$102,700
2014	$129,505	$71,219	$41,446	$147,699

Observations:

- The increase in accounts payable was primarily due to the timing of payments at year end.
- Unavailable 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 significant decrease in other liabilities for 2014 as compared to both 2012 and 2013 was due to the expiration of a performance bond.

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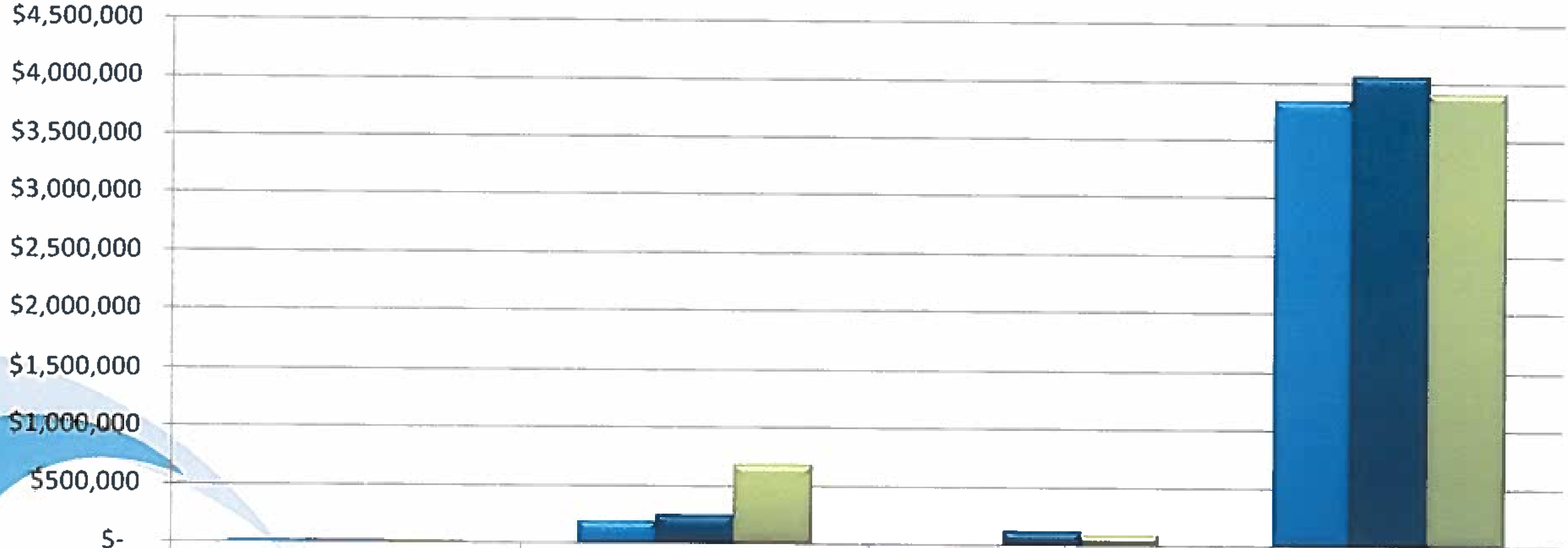
Town of Kennebunkport

GENERAL FUND EQUITY



	Nonspendable	Committed	Assigned	Unassigned
2012	$10,753	$181,630	$-	$3,833,702
2013	$11,308	$237,917	$112,290	$4,050,541
2014	$15,209	$674,381	$79,408	$3,907,479

Observations:

- Committed fund balance changes annually based on the status of projects and appropriations. Detail of the Town's committed fund balances can be seen on page 46 of the financial statements.
- Assigned fund balance represents encumbrances at year end (open purchase orders).
- The Town implemented GASB 54 in 2012 which is the new standard on fund balance.

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Town of Kennebunkport

GENERAL FUND REVENUES

	Budget	Actual	Variance
Property taxes	$ 14,032,498	$ 13,989,900	$ (42,598)
Excise taxes	763,500	846,486	82,986
Intergovernmental Revenues	224,746	226,923	2,177
Licenses & Permits	176,660	226,870	50,210
Charges for Services	325,700	385,694	59,994
Interest Earned	40,000	24,335	(15,665)
Other Revenues	256,791	238,666	(18,125)
Total Revenues	**15,819,895**	**15,938,874**	**118,979**
Transfers In	317,800	616,551	298,751
Utilizations of Prior Year Surplus	700,000	-	(700,000)
Utilizations of Carryforward Balances	90,713	-	(90,713)
Total Revenue and Other Sources	**$ 16,928,408**	**$ 16,555,425**	**$ (372,983)**

Observations:

- Property tax revenues were under budget due to the change in deferred tax revenue ($44,998), which is based on collections within 60 days of year end.
- Excise taxes exceeded budget by $82,986 due to the difficulty of budgeting this type of revenue.
- Charges for services were over budget mainly due to Goose Rocks fees being significantly higher than expected.
- Other revenues were over under budget largely due to the lower than budgeted credit for Maine PERS.
- Transfers exceeded budgets due to the S Brook project transfer (also see expenditures).

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