



PERFORMETER.

THE PERFORMETER[®]
and the A.F.T.E.R. Analysis

A Financial Statement Analysis Using Indicators of the
Financial Health and Success
and a
Status Report of Audit Findings, Timeliness and
Exception Resolution (A.F.T.E.R.)
of
The Territory of American Samoa
as of and for the Year Ended September 30, 2010



What Is The Performer[®]?

- An analysis that takes a government's financial statements and converts them into useful and understandable measures of financial performance
- Financial ratios and a copyrighted analysis methodology are used to arrive at an overall rating of 1-10
- The overall reading is a barometer of ASG's financial health and performance



How to Use The Performer[®]

- Use the individual ratios to identify financial warning signals
- Use the overall rating as a collective benchmark of financial health and success of ASG as a whole
- Use the comparisons to prior years to monitor trends in financial indicators

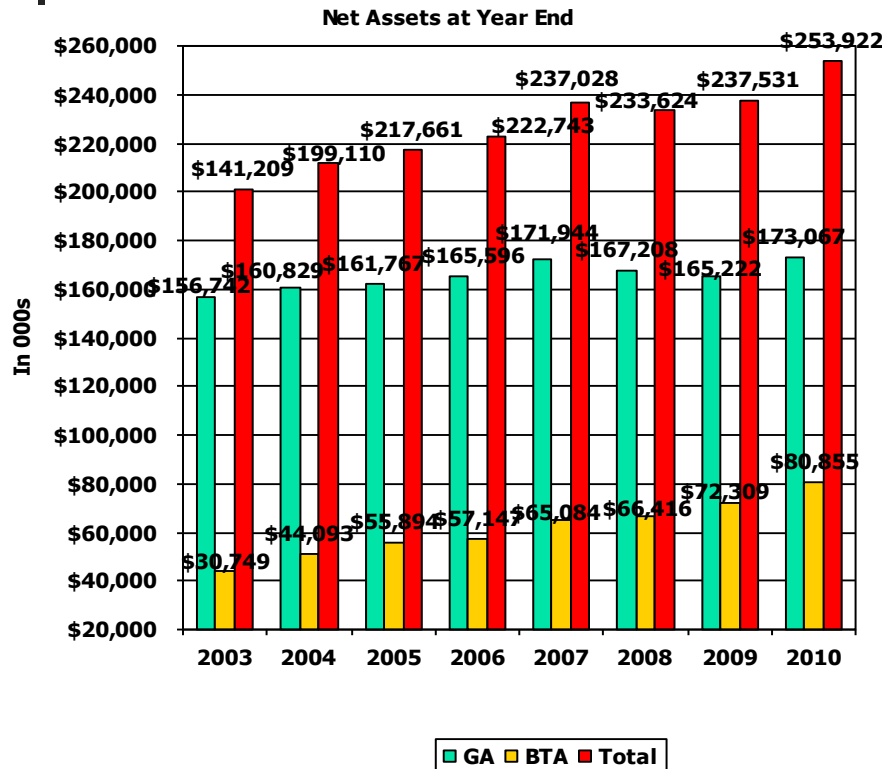


Limitations of the Performer[®]

- The Performer[®] should not be used as the only source of financial information to evaluate ASG's performance and condition
- The analysis is an overall rating of ASG as a whole and not of specific activities, funds or units
- The Performer[®] is based on Crawford & Associates' professional judgment and is limited as to its intended use

Change in Net Assets

Did our overall financial condition improve, decline or remain steady over the past year?



Net assets include all assets of ASG, except for fiduciary funds held for the benefit of others. It is measured as the difference between total assets, including capital assets, and total liabilities, including long-term debt.

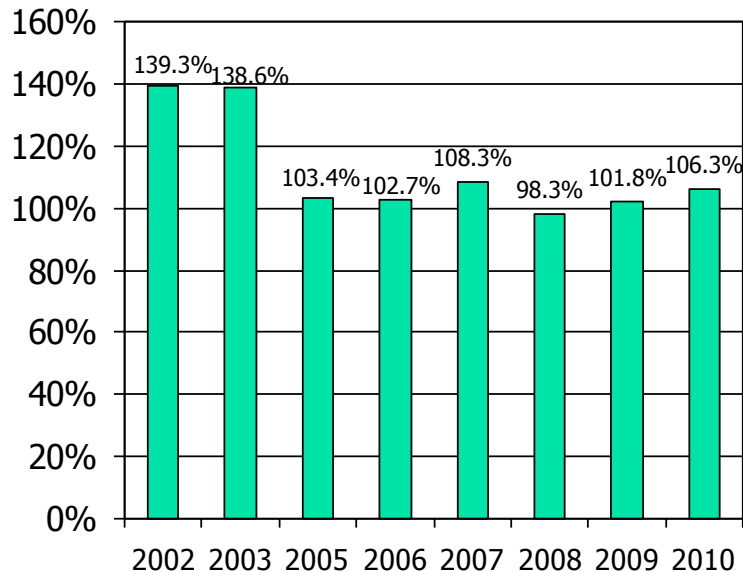
For the year ended September 30, 2010, total net assets increased by \$16.4 million or 6.9% from the prior year. Governmental activities (GA) net assets increased by \$7.8 million, while business-type activities (BTA) increased by \$8.5 million. This overall increase was due to grant revenues for the Dept. of Education Main Office, the Fagatogo Public Market, and the Territory Energy Office as well as revenues increasing at a greater rate than expenses in both GA and BTA.

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
89.3%	42.2%	5.4%	2.9%	2.3%	6.4%	-1.4%	1.7%	6.9%	

Intergenerational Equity

Who is paying for today's costs of services?

Revenues as a % of Annual Expenses



A measure of whether the government lived within its means in the measurement year, or was required to use prior year resources to fund a portion of current year costs, or shifted the funding of some of the current year costs to future periods.

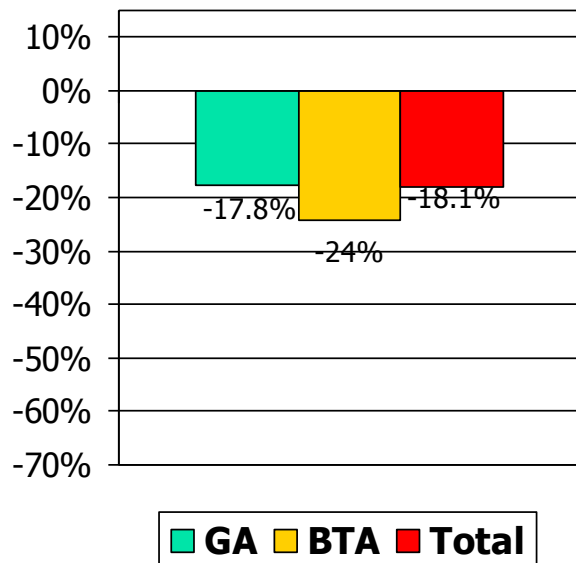
For the year ended September 30, 2010, ASG funded 106.3% of their expenses with current year revenues, which is considered an excellent ratio and an increase from the previous period. Revenues increased 22% while expenses increased 18% creating positive Intergenerational Equity.

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
139.3%	138.6%	106%	103.4%	102.7%	108.3%	98.3%	101.8%	106.3%	

Level of Unrestricted Net Assets

How do our total rainy day funds look?

Unrestricted Net Assets (Deficit) as a % of Annual Revenues



The level of total unrestricted net assets is an indication of the amount of unexpended and available resources ASG has at a point in time to fund emergencies, shortfalls or other unexpected needs.

For the year ended September 30, 2010, ASG's total unrestricted net assets were in a deficit position that approximated 18.1% of annual total revenues. Governmental activities reported an unrestricted net assets deficit position of 17.8%, while business-type activities unrestricted net assets deficit reported a 24.1% level.

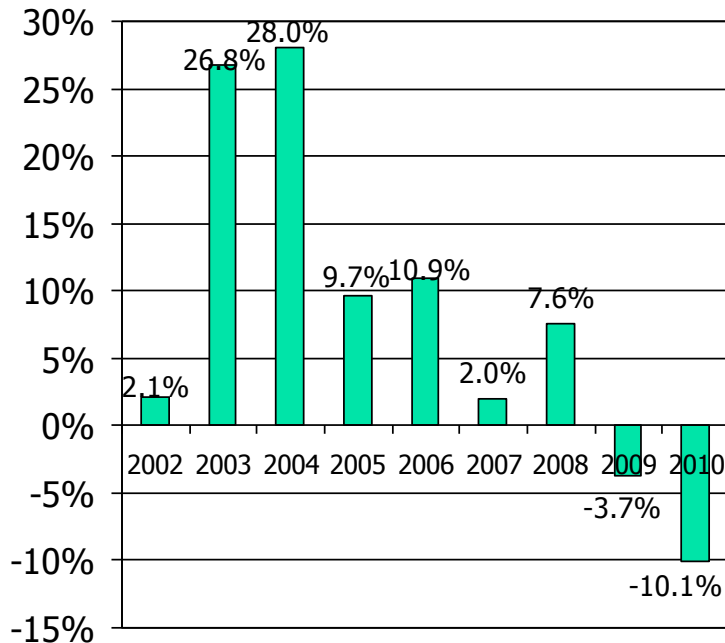
This is an increase from the prior period, although slight, and considered an unfavorable ratio.

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
-2.1%	7.2%	2.4%	-2.9%	-10.3%	-11.7%	-21.3%	-22.1%	-18.1%	

Level of Budgetary Fund Balance

How does our budgetary carryover look?

Budgetary Unreserved Fund Balance as a Percentage of Annual Revenues



The level of budgetary unreserved fund balance is an indication of the amount of unexpended, unencumbered and available resources ASG has at a point in time to carryover into the next fiscal year to fund budgetary emergencies, shortfalls or other unexpected needs. In this analysis, only the General Fund is considered.

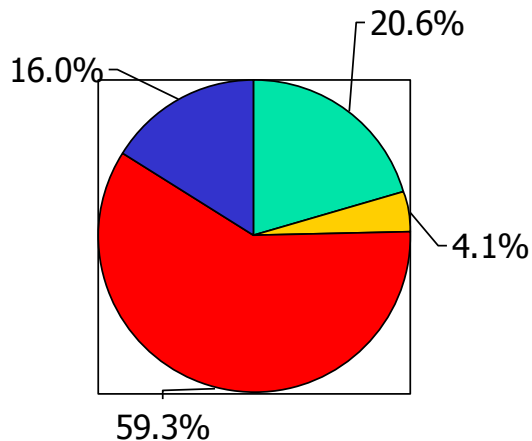
For the year ended September 30, 2010, ASG's unreserved fund balance had an increased deficit position from the prior period, amounting to 10.1% of its annual revenues. This is the second year of the analysis that the General Fund has been in a deficit position.

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
2.1%	26.8%	28.0%	9.7%	10.9%	2.0%	7.6%	-3.7%	-10.1%	

Revenue Dispersion

How heavily are we relying on revenue sources we can't directly control?

2010 Revenue Percentages by Source



The percentage dispersion of revenue by source indicates how dependent ASG is on certain types of revenue. The more dependent ASG is on revenue sources beyond its direct control, such as grants, the less favorable the dispersion.

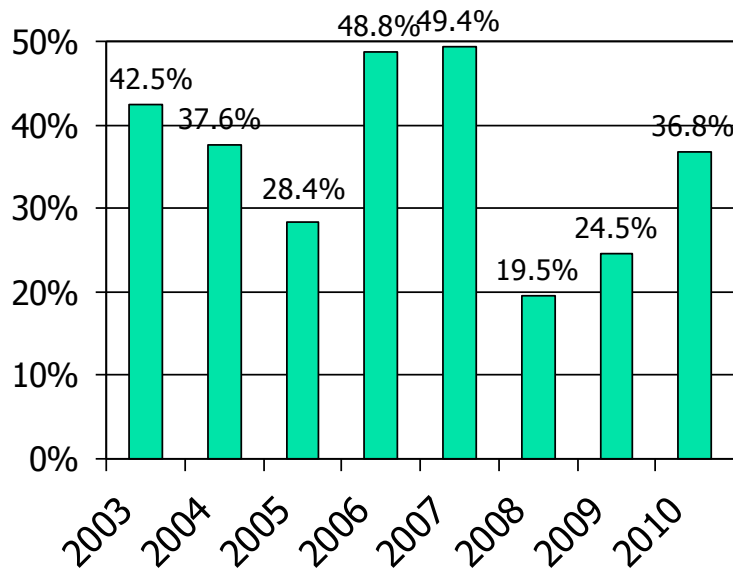
For the year ended September 30, 2010, ASG had direct control over 11.8% of its revenues (Excise taxes and charges for services). This ratio indicates ASG has some exposure, as do most insular governments, to financial difficulties due to reliance on non-controlled revenue (88.2%).

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
15.7%	17.5%	20%	19.6%	18.4%	17.3%	15.5%	14.5%	11.8%	

BTA Self-Sufficiency

Did current year business-type activities (BTA) pay for themselves?

Percentage of BTA Expenses Covered By BTA Revenues



The self-sufficiency ratio indicates the level at which business-type activities (such as the industrial park and airport) covered their current costs with current year revenues, without having to rely on subsidies, grants or use of prior year reserves.

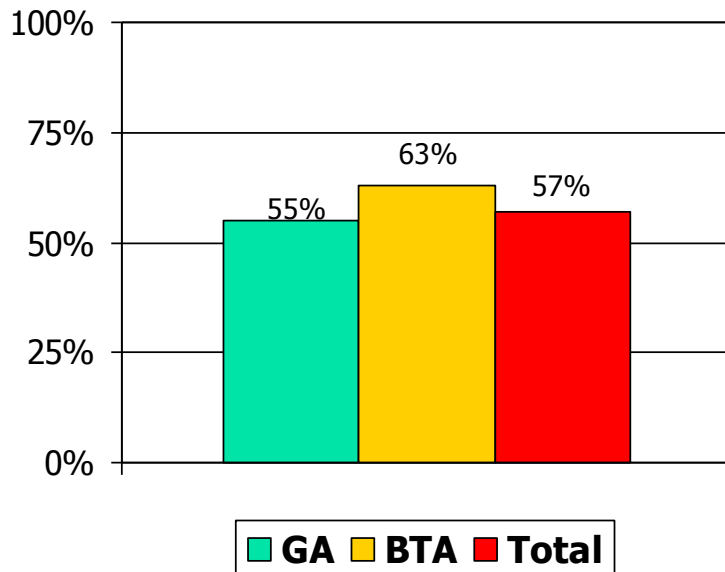
For the year ended September 30, 2010, ASG's total business-type activities were 36.8% self-sufficient. This indicates that most of the current year costs were not funded by recurring current year revenues, although it is an improvement from the ratio in the prior year.

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
44.7%	42.5%	37.6%	28.4%	48.8%	49.4%	19.5%	24.5%	36.8%	

Capital Asset Condition

How much useful life do we have left in our capital assets?

Percentage of Capital Assets' Useful Life Remaining - 2010



The capital asset condition ratio compares capital assets cost to accumulated depreciation to determine the overall percentage of useful life remaining. A low percentage could indicate an upcoming need to replace a significant amount of capital assets.

At September 30, 2010, ASG's depreciable capital assets amounted to \$449.3 million while accumulated depreciation totaled \$192.1 million. This indicates that, on the average, ASG's capital assets have 57% of their useful lives remaining. This is a relatively satisfactory financial indicator and nearly equal to that of the prior five years.

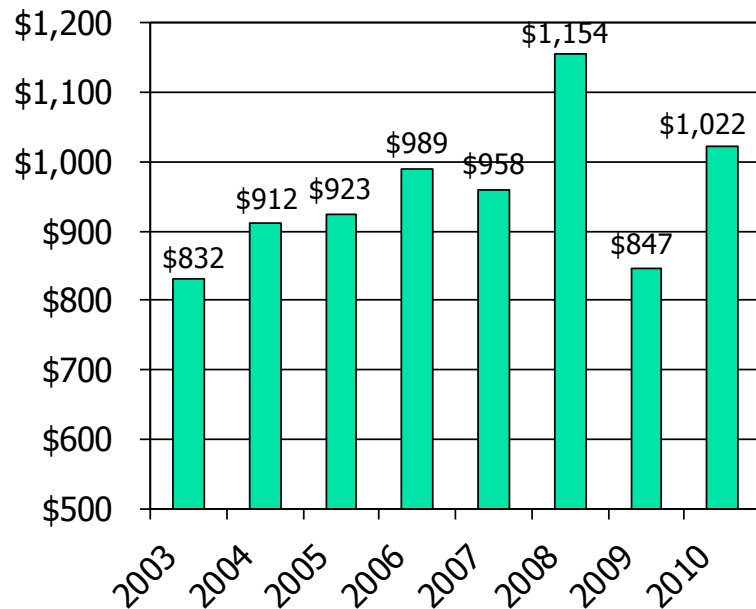
Governmental activity assets have 55% of their useful lives remaining while BT activities have 63% remaining, which is nearly equal to the ratio of the prior year.

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
54%	59%	61%	61%	60%	59%	58%	58%	57%	

Financing Margin - Taxes

Will our citizens be willing to pay increased taxes for operations or capital improvements, if needed?

Total Taxes Per Capita



The financial ratio of taxes per capita is an indication of ASG's tax burden on its citizens and other taxpayers. The ratio includes all taxes, including gross receipts, income and other taxes.

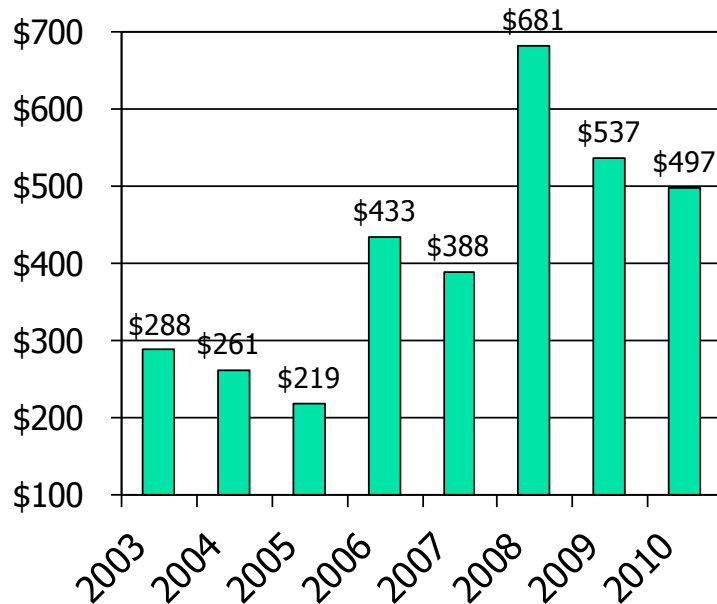
For the year ended September 30, 2010, total taxes amounted to \$56.7 million or \$1,022 per capita. This indicates a relatively low tax burden when compared to other insular governments, but is a fairly significant difference compared to the ratio of the prior year. The increase is primarily due to a decrease in population per the most recent census.

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
\$753	\$832	\$912	\$923	\$989	\$958	\$1,154	\$847	\$1,022	

Financing Margin - Debt

Will we be able to issue more debt, if needed?

Debt Per Capita



The financial ratio of debt per capita is an indication of ASG's debt burden on its citizens and other taxpayers. The ratio does not consider debt payable from enterprise activities or alternate revenues.

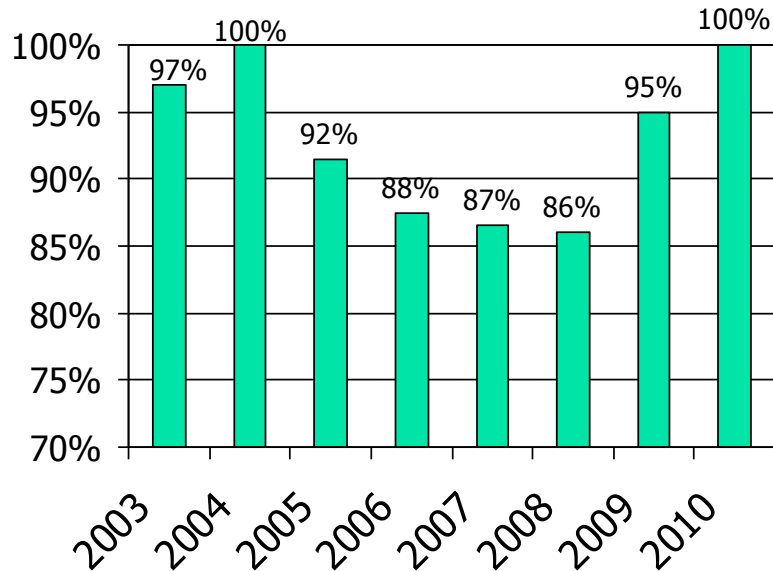
For the year ended September 30, 2010, ASG had \$27.6 million of long-term debt or \$497 per capita which is a relatively low debt burden on its citizens when compared to other insular governments, and represents a decrease in the ratio of the prior year.

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
\$326	\$288	\$261	\$219	\$433	\$388	\$681	\$537	\$497	

Pension Plan Funding Ratio

Will we be able to pay our employees when they retire?

Plan Assets as a Percentage of Accrued Liability



The pension funding ratio compares the actuarial fair value of the pension plan's assets to the actuarial accrued liability for pension benefits. A percentage less than 100% indicates the plan is underfunded at the valuation date.

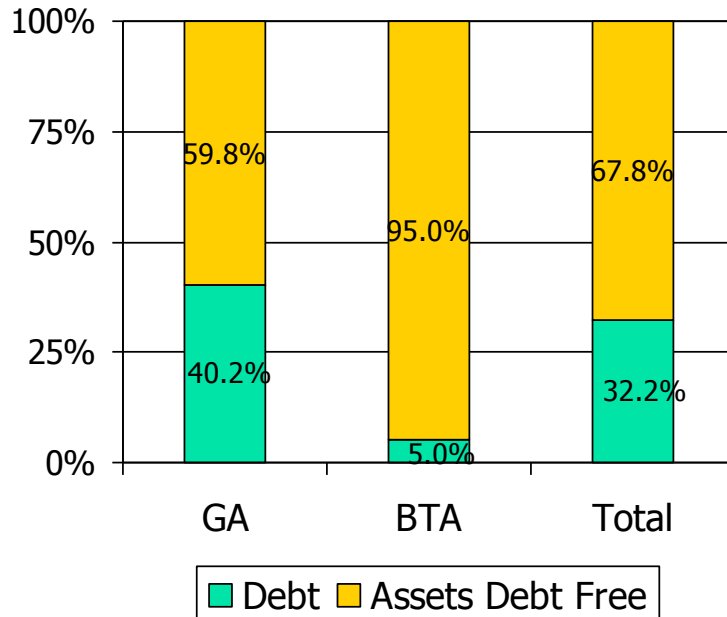
At September 30, 2010, ASG's pension plan assets were nearly 100% of the actuarial accrued liability, and an improvement from the ratio of prior year.

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
93%	97%	100%	91.5%	87.5%	86.5%	86.0%	95%	100%	

Debt to Assets

Who really owns ASG?

Percentage of Debt to Assets - 2010



The debt to assets ratio measures the extent to which ASG had funded its assets with debt. The lower the debt percentage, the more equity ASG has in its assets.

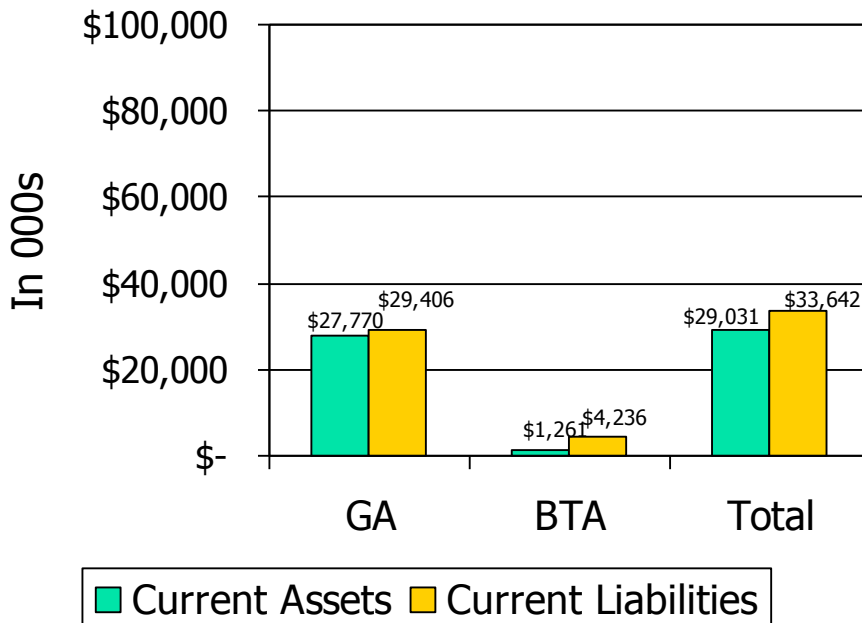
At September 30, 2010, almost one-third (32.2%) of ASG's \$374.6 million of total assets were funded with debt or other obligations. This is an above satisfactory financial indicator and indicates that for each dollar of ASG assets it owns, it owes 32.2 cents of that dollar to others. This is a slight improvement from the previous period.

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
34%	27.7%	28.7	27.8%	16.4%	28.7%	33.1%	35.4%	32.2%	

Current Ratio

Will our vendors and employees be pleased with our ability to pay them on time?

Current Assets Compared to Current Liabilities - 2010



The current ratio is one measure of ASG's ability to pay its short-term obligations. The current ratio compares total current assets and liabilities. A current ratio of 2.00 to 1 indicates good current liquidity and an ability to meet the short-term obligations. This ratio includes only the General Fund, ASG's primary operating fund, and ASG's proprietary type funds.

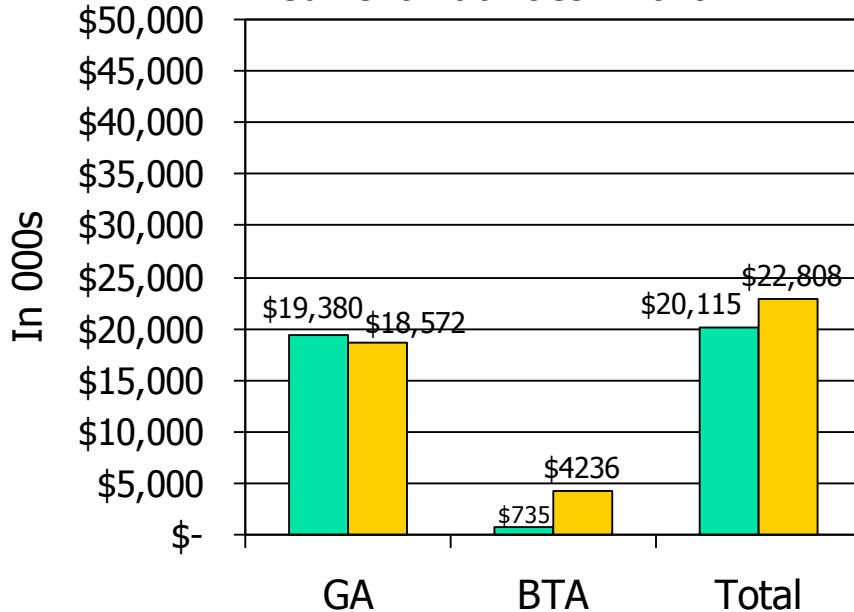
At September 30, 2010, ASG had a ratio of current assets to current liabilities of .86 to 1. This indicates that ASG had \$.86 of current assets to pay each \$1 of current liabilities and is considered a less than satisfactory indicator of liquidity, and a decrease in the ratio of the prior year.

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
1.11	2.12	1.72	1.23	1.28	1.14	1.27	1.01	.86	

Quick Ratio

How is our short-term cash position?

Cash and Cash Equivalents Compared to Current Liabilities - 2010



■ Cash & Cash Equivalents ■ Current Liabilities

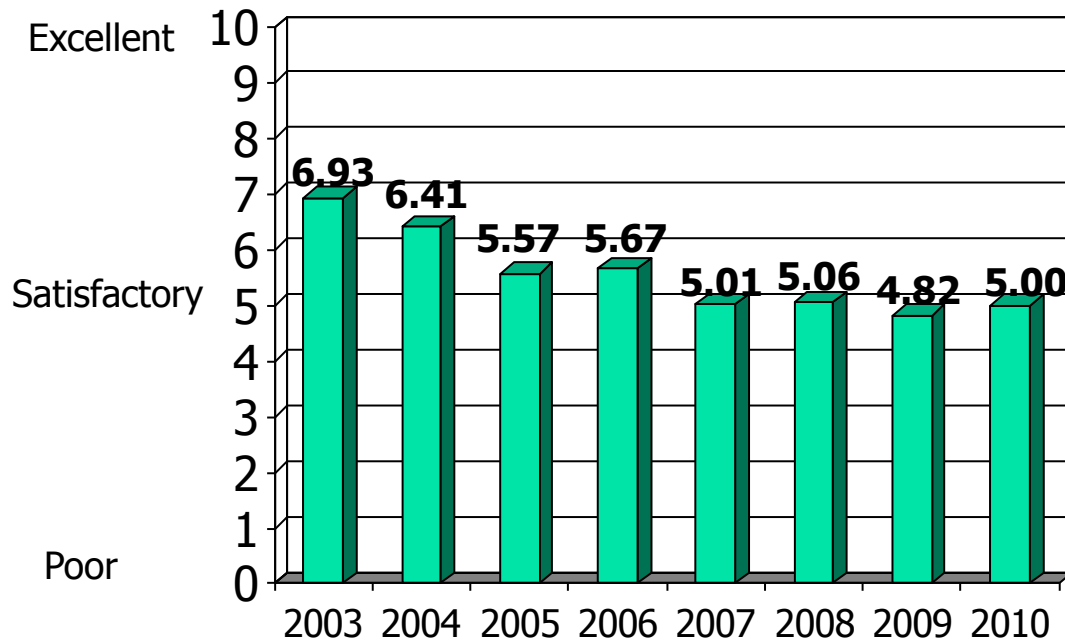
The quick ratio is another, more conservative, measure of ASG's ability to pay its short-term obligations. The quick ratio compares total cash and short-term investments to current liabilities, less deferred revenue. A quick ratio of 1.00 to 1 indicates adequate current liquidity and an ability to meet the short-term obligations with cash. This measure includes only the General Fund, ASG's primary operating fund, and ASG's proprietary type funds.

At September 30, 2010, ASG had a government-wide ratio of cash and cash equivalents to current liabilities of .88 to 1. This indicates that ASG has, for every one dollar of current liabilities (less deferred revenue), 88 cents of cash and cash equivalents to fund them. This is an unsatisfactory indicator of liquidity and continues the decline from the previous period.

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
1.17	3.10	1.16	.80	1.02	1.13	1.93	1.20	.88	

Performmeter® Reading

Overall Reading



The 2010 reading of 5.00 indicates the evaluator's opinion that the American Samoa Government's overall financial health and performance increased slightly to a satisfactory reading.

The current year reading is a result of some ratios improving slightly, such as the change in net assets, unrestricted net assets, and pension plan funding ratio, while others, such as the unreserved general fund balance, and the current and quick ratios declined. Overall, the current year reading is consistent with the prior periods.



What is the A.F.T.E.R. Analysis?

- The A.F.T.E.R. Analysis is very simply an analysis of the status of audit findings, the timeliness of the submission of the audit and the resolution of certain audit exceptions, this analysis can be used to track a government's progress towards eliminating its most significant findings and exceptions, along with tracking the timeliness of submission to the Federal Clearinghouse.

A.F.T.E.R. ASG

	2004	2005	2006	2007	2008	2009	2010
Number of F.S. Opinion Qualifications/ Exceptions	12	9	7	7	7	6	7
Number of Major Federal Program Qualifications/Exceptions	15	13	9	8	8	18	38
Number of F.S. Findings							
A. Internal Control and Compliance	6	7	7	7	7	6	6
B. Internal Control Only	0	0	0	0	0	0	0
C. Compliance Only	0	0	0	0	0	0	0
TOTAL	6	7	7	7	7	6	6
Percentage of Findings Repeated	100%	100%	100%	100%	100%	100%	100%
Number of A-133 Findings							
A. Internal Control and Compliance	24	20	11	15	13	15	6
B. Internal Control Only	0	0	0	0	0	0	0
C. Compliance Only	0	0	0	0	0	0	0
TOTAL	25	20	11	15	13	15	6
Percentage of A-133 Findings Repeated	Unable to determine	Unable to determine	Unable to determine	Unable to determine	100%	Unable to determine	100%
Number of months after Y/E the F.S. were Released	18	9	12	11	9	9	10
Number of Qualifications/Exceptions Related to C.U.	2	1	3	3	1	1	1
\$ of Questioned Costs-Current Year	\$51,076	\$42,673	\$102,041	\$297,069	\$100	\$0	\$1,785
\$ of Questioned Costs- Cumulative	Unable to determine	Unable to determine	Unable to determine	Unable to determine	Unable to determine	Unable to determine	Unable to determine
\$ of Questioned Costs Resolved – Current Year	Unable to determine	Unable to determine	Unable to determine	Unable to determine	Unable to determine	Unable to determine	Unable to determine



Thank You

We would like to commend and thank ASG's management, The U.S. Department of Interior and the Graduate School for allowing us to present this financial analysis. We hope it serves as a useful and understandable compliment to ASG's annual financial report.

Visit our website at www.crawfordcpas.com for other useful tools for governments.