

**TOWN OF SCARBOROUGH**  
**Executive Summary for the period ending June 30, 2018**

Well, we made it through another tough budget season and a citizen approved budget on the first vote! Scarborough has completed twelve months (or 100%) of our FY18 budget. While the data presented is unaudited, the numbers are looking good. As we compare our town general fund expenditures for the periods ending June 2018 and June 2017, we are 98.3% and 98.7% spent respectively. Total expenditures for FY18 are at 98% spent and revenues are at 97.5% collected for the General Fund, which includes the town, school and adult education. Tax collections continue to come in favorably at 99.1% collected compared to the prior two years of 99.1% through June 2017 and 98.8% through June 2016.

Annually total fund balance is updated. Unassigned Fund Balance increased slightly from FY16 of \$6,107,559 to FY17 of \$6,893,626. As of the end of FY18, the 2017 Operating Budget was \$83,673,671. Per our fund balance policy, the Town's goal is 10% of the prior year operating budget. This would put the unassigned fund balance goal at \$8,367,367. We are currently working on our June 30, 2018 year end financials although I feel confident our balance will be at or higher than the policy goal.

The assets and liabilities are mostly determined by the timing of the expenditures and revenues and as such, I will focus on the expenditures and revenues. As a general indicator of fund balance, actual revenues and expenditures can measure the anticipated changes that could affect total fund balance.

With the fiscal year at an end, total expenditures, before final year-end adjustments, are at 98% of authorization. Total revenues are showing at 97.5% as actual school revenues are below estimates. Additionally, the school projected to use \$2.1m of their fund balance. This amount is not reflected here. If we did, total revenues would be 99.96% and school overall would be 99.4% collected.

**Positive** indicators include the four major departments: School, Fire, Police and Public Works all who came in below their budget authorizations. As mentioned earlier, revenue collections are very strong.

On the revenue side, the town has exceeded their estimates in revenue collections. The Senior Property Tax Relief payments increased from \$138,308 in FY17 to \$184,171 in FY18 as more citizens took advantage of this wonderful program. To assist more seniors with their property taxes, the budget for this relief program went from \$75,000 in 2017 to \$200,000 estimated for FY2019.

Actual excise revenues increased slightly over last year from \$5.874m in FY17 to \$5.904m in FY18. Building Permit collections are 137% of estimates. Also, both Plumbing and Electrical Permit revenues have exceeded their estimated revenues as well. These three revenues are a strong indicator of the increased development occurring in Scarborough. Intergovernmental revenues show higher than last year due to the increased reimbursement from the State for both the BETE and Homestead programs. State Revenue Sharing also came in above projections by \$12,356. Investment interest is higher as interest rates continue to rise and some of the premium received

on our 2018 bond issue is reflected here. \$89,500 of the bond premium went to offset the cost of issuing this bond. \$514,450 of the premium will close to fund balance to be used toward the November 2018 debt interest payment. The final portion of \$735,000 of the bond premium is reflected in the Capital Projects (Fund 1310) to be used for the construction of the Public Safety facility. Instead of borrowing \$15m for the project, we only needed to borrow \$14.265m.

**Negative** indicators: The legal budget is overspent by \$72,830 with TIF questions and lawsuits against the town. Federal tariffs and rising construction costs are creating challenges for the public safety construction team working to meet projected construction cost estimates as this projects get underway.

In summary, the Town of Scarborough staff have all worked diligently to provide services to the community in a thoughtful and responsible manner and I commend them on their efforts to keep costs down.

**TOWN OF SCARBOROUGH  
TOWN GENERAL FUND BALANCE SHEET**

	<b>UNAUDITED <u>June 30, 2018</u></b>	<b>AUDITED <u>June 30, 2017</u></b>	<b><u>Variance</u></b>
<b><u>ASSETS</u></b>			
Cash	17,542,662	17,372,663	169,999.23
Taxes Receivable	934,940	943,725	(8,785.14)
Accts Receivable	969,229	999,943	(30,713.72)
Due From Other Funds	2,477,059	2,679,168	(202,108.83)
Inventories	12,598	12,598	0.00
<b>Total Assets and Outflows</b>	<b><u>21,936,488</u></b>	<b><u>22,008,096</u></b>	<b><u>(71,608.46)</u></b>
<b><u>LIABILITIES</u></b>			
Accounts Payables	2,316,048	2,462,223	(146,175.34)
Accrued Payroll	5,025,411	4,794,386	231,024.68
Prepaid Items	721	8,377	(7,656.65)
Deferred Tax Revenues	786,089	786,089	0.00
Taxes Collected In Advance	344,492	58,208	286,283.58
<b>Total Liabilities and Inflows</b>	<b><u>8,472,760</u></b>	<b><u>8,109,284</u></b>	<b><u>363,476.27</u></b>
<b><u>FUND BALANCE</u></b>			
Fund Balance Unrestricted	9,165,913	9,010,355	155,557.47
Fund Balance Restricted	4,720,302	4,875,859	(155,557.47)
Fuel Inventory Reserve	12,598	12,598	0.00
Actual Revenues	82,529,206	0	82,529,205.74
Actual Expenditures	82,964,290	0	82,964,290.47
<b>Fund Balance</b>	<b><u>13,463,728</u></b>	<b><u>13,898,813</u></b>	<b><u>(435,084.73)</u></b>
<b>Total Liabilities and Fund Balance</b>	<b><u>21,936,488</u></b>	<b><u>22,008,096</u></b>	<b><u>(71,608.46)</u></b>

**Town of Scarborough  
Comparative Year To Date Expenditures**

	<b>6/30/2018 Unaudited</b>			<b>6/30/2017 Audited</b>		
	<b>Revised Appropriation</b>	<b>YTD Expended</b>	<b>Percent Used</b>	<b>Revised Appropriation</b>	<b>YTD Expended</b>	<b>Percent Used</b>
<b>1100 General Fund</b>						
55 Legislative	11,573	11,572	100.0%	11,573	11,572	100.0%
56 Executive	2,226,926	2,403,837	108.1%	2,012,424	2,352,332	116.9%
57 Finance	1,036,293	998,917	96.8%	958,869	922,848	96.2%
58 Management Information Systems	1,209,126	1,162,609	96.3%	1,195,024	1,136,440	95.1%
59 Planning	976,741	956,551	97.9%	953,915	919,589	96.4%
62 Community Services	2,736,443	2,767,459	101.6%	2,760,851	2,753,956	99.8%
63 Library	1,130,246	1,130,246	100.0%	1,099,898	1,099,898	100.0%
66 Public Health & Welfare	30,211	31,702	104.9%	29,656	31,682	106.8%
68 SEDCo	234,773	233,378	99.4%	224,694	220,133	98.0%
71 Fire Services	5,053,097	4,884,083	97.0%	4,908,192	4,669,847	95.1%
72 Police Services	6,420,598	6,351,511	98.9%	6,274,840	6,029,962	96.1%
81 Public Works	6,865,500	6,731,931	98.5%	6,774,857	6,529,061	96.4%
85 Debt	4,817,198	4,873,855	101.2%	4,840,496	4,857,655	100.4%
91 County Tax	2,709,666	2,709,666	100.0%	2,568,852	2,568,852	100.0%
94 Capital Equipment	1,062,168	720,814	75.2%	1,214,582	1,148,329	94.5%
97 Other	987,053	764,595	77.5%	1,081,403	1,171,584	108.3%
<b>Total General Fund Expenditures</b>	<b>37,507,613</b>	<b>36,732,727</b>	<b>98.3%</b>	<b>36,910,125</b>	<b>36,423,740</b>	<b>98.7%</b>
Fund 7150 Adult Education	182,701	173,329	94.9%	182,805	187,523	102.6%
Fund 7100 Total School General Fund	47,125,168	46,058,235	97.7%	45,856,180	45,274,914	98.7%
<b>Total School General Fund Expenditures</b>	<b>47,307,869</b>	<b>46,231,564</b>	<b>97.7%</b>	<b>46,038,985</b>	<b>45,462,437</b>	<b>98.7%</b>
<b>Grand Total</b>	<b>84,815,482</b>	<b>82,964,290</b>	<b>98.0%</b>	<b>82,949,110</b>	<b>81,886,177</b>	<b>98.7%</b>

**12 Months = 100.00%**

**NOTES:**

**56:** The Ass't Town Manager & Sustainability Coordinator positions were funded in Fy17 starting in October. In FY18, these positions are funded for twelve months. The Human Resource budget shows less spent due to the hiring of a new director in Sept. 2017.

**57:** Assessor position hired midway through FY18

**71:** Fire Dept staffing costs

**72:** Police Staffing costs.

**81:** PW Mostly paved more roads in FY18 than in FY17 and purchased more salt in FY18

**94:** Timing of capital equipment purchases for prior year and current year.

**Town of Scarborough  
Comparative Year To Date Revenues**

	<b>6/30/2018    Unaudited</b>			<b>6/30/2017    Audited</b>		
	<b>Revised Estimated</b>	<b>Actual YTD</b>	<b>%</b>	<b>Revised Estimated</b>	<b>Actual YTD</b>	<b>%</b>
<b><u>1100 General Fund</u></b>	<b><u>Revenue</u></b>	<b><u>Revenue</u></b>	<b><u>Collected</u></b>	<b><u>Revenue</u></b>	<b><u>Revenue</u></b>	<b><u>Collected</u></b>
90 Taxes	25,508,095	25,728,374	100.9%	25,408,946	25,702,355	101.2%
91 Interest On Delinquent Taxes	89,000	101,814	114.4%	88,000	102,874	116.9%
92 Licenses And Permits	645,680	841,905	130.4%	596,480	619,062	103.8%
93 Intergovernmental Revenues	2,923,418	2,924,953	100.1%	2,833,502	2,527,792	89.2%
94 Charge For Services	5,760,260	5,636,644	97.9%	5,555,292	5,510,278	99.2%
95 Fines Forfeits And Assessments	71,500	99,176	138.7%	65,550	81,819	124.8%
96 Miscellaneous Revenues	619,197	1,106,415	178.7%	566,556	628,919	111.0%
99 Other Financing Sources	1,735,705	1,171,316	67.5%	1,619,958	1,740,706	107.5%
<b>Total General Fund Revenues</b>	<b>37,352,855</b>	<b>37,610,597</b>	<b>100.7%</b>	<b>36,734,284</b>	<b>36,913,805</b>	<b>100.5%</b>
Fund 7150 Adult Education	182,701	176,386	96.5%	182,805	180,919	99.0%
Fund 7100 Total School General Fund	47,125,168	44,742,223	94.9%	45,855,067	44,976,684	98.1%
<b>Total School General Fund Revenues</b>	<b>47,307,869</b>	<b>44,918,609</b>	<b>94.9%</b>	<b>46,037,872</b>	<b>45,157,603</b>	<b>98.1%</b>
<b>Grand Total</b>	<b>84,660,724</b>	<b>82,529,206</b>	<b>97.5%</b>	<b>82,772,156</b>	<b>82,071,408</b>	<b>99.2%</b>

**Property Taxes Collected:    99.10%**  
**Collections as of 10-09-18:    99.25%**  
**12 Months    =    100.00%**

**2017 Property Taxes Collected Jun 2018: 99.68%**  
**2017 Property Taxes Collected Jun 2017: 99.14%**

**NOTES:**

- 90:** Taxes include property and excise taxes. Property taxes are recorded as revenue when the bills are issued.
- 91:** Interest rate remains at 7% for unpaid property taxes - this is set by the State.
- 92:** Licenses & Permits Building, Electrical and Plumbing Permits are the main reasons for this increase over last year.
- 93:** Intergovernmental Revenues: Increased BETE and Homestead revenues received over prior year.
- 94:** Charge for Services: Child Care and Youth Program Revenues.
- 96:** Bond Premium for GF Capital Purchases
- 99:** Year end Transfers in Process

**Town of Scarborough  
Year To Date Expenditures Through June 30, 2018**

	<u>Original Appropriation</u>	<u>Revised Budget</u>	<u>YTD Expended</u>	<u>Encumb</u>	<u>Available Budget</u>	<u>Percent Used</u>
<b><u>Other Town Fund Expenditures</u></b>						
Fund 1200 Total Special Revenue Fund	-	-	2,663,902	-	(2,663,902)	100.0%
Fund 1300 Total Capital Projects Fund	275,900	255,900	358,841	44,397	(147,337)	157.6%
Fund 1310 Total Capital Projects Fund	3,582,850	4,224,100	1,920,743	381,797	1,921,560	54.5%
Fund 1310 Public Safety Building	21,548,095	21,548,095	826,227	-	20,721,869	3.8%
Fund 1500 Total Cemetery Permanent Fund	-	-	-	-	-	0.0%
<b>Total Town Other Fund Exp</b>	<b>25,406,845</b>	<b>26,028,095</b>	<b>5,769,712</b>	<b>426,194</b>	<b>19,832,190</b>	<b>23.8%</b>

	<u>Original Appropriation</u>	<u>Revised Budget</u>	<u>YTD Expended</u>	<u>Encumb</u>	<u>Available Budget</u>	<u>Percent Used</u>
<b><u>Other School Fund Expenditures</u></b>						
Fund 72xx Total School Special Revenue Fund	1,123,902	1,123,902	983,028	-	140,875	87.5%
Fund 7300 Total School Capital Projects Fund	110,000	110,000	36,269	-	73,731	33.0%
Fund 7400 Total School Capital Projects Fund	1,286,200	1,286,200	816,874	-	469,326	63.5%
Fund 7600 Total School Nutrition Program	1,521,802	1,521,802	1,533,890	-	(12,088)	100.8%
Fund 7800 Total School Scholarship Funds	-	-	5,150	-	(5,150)	100.0%
<b>Total School Other Fund Exp</b>	<b>4,041,904</b>	<b>4,041,904</b>	<b>3,375,210</b>	<b>-</b>	<b>666,694</b>	<b>83.5%</b>

**Year To Date Revenues Through June 30, 2018**

	<u>Original Estimated Revenue</u>	<u>Revised Estimated Revenue</u>	<u>Actual YTD Revenue</u>	<u>Remaining Revenue</u>	<u>% Collected</u>
<b><u>Other Town Fund Revenues</u></b>					
Fund 1200 Total Special Revenue Fund	-	-	3,865,180	(3,865,180)	100.0%
Fund 1300 Total Capital Projects Fund	275,900	255,900	366,668	(110,768)	143.3%
Fund 1310 Total Capital Projects Fund	3,582,850	4,224,100	1,837,196	2,386,904	43.5%
Fund 1310 Public Safety Building	21,548,095	21,548,095	15,000,000	6,548,095	69.6%
Fund 1500 Total Cemetery Permanent Fund	-	-	5,098	(5,098)	100.0%
<b>Total Town Other Fund Rev</b>	<b>25,406,845</b>	<b>26,028,095</b>	<b>21,074,141</b>	<b>4,953,953</b>	<b>81.0%</b>

	<u>Original Estimated Revenue</u>	<u>Revised Estimated Revenue</u>	<u>Actual YTD Revenue</u>	<u>Remaining Revenue</u>	<u>% Collected</u>
<b><u>Other School Fund Revenues</u></b>					
Fund 72xx Total School Special Revenue Fund	1,123,902.37	1,123,902	1,048,656.13	75,246	93.3%
Fund 7300 Total School Capital Projects Fund	110,000	110,000	58,300	51,700	53.0%
Fund 7400 Total School Capital Projects Fund	1,286,200	1,286,200	1,156,061	130,139	89.9%
Fund 7600 Total School Nutrition Program	1,521,802	1,521,802	1,449,584	72,218	95.3%
Fund 7800 Total School Scholarship Funds	-	-	1,050	(1,050)	100.0%
<b>Total School Other Fund Rev</b>	<b>4,041,904</b>	<b>4,041,904</b>	<b>3,713,651.40</b>	<b>328,253</b>	<b>91.9%</b>

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>YTD Activity</u>	<u>Remaining Bal</u>	<u>Percentage</u>
<b>Grand Totals Expenditures</b>	<b>114,440,474</b>	<b>114,885,480.89</b>	<b>92,109,212.54</b>	<b>22,197,140</b>	<b>80.7%</b>
<b>Grand Totals Revenues</b>	<b>114,440,474</b>	<b>114,730,723.70</b>	<b>107,316,998.62</b>	<b>7,413,725</b>	<b>93.5%</b>

Town of Scarborough  
Year To Date Education Expenditures  
Through June 30, 2018

<b>Education:</b>	<b>Original <u>Appropriation</u></b>	<b>Revised <u>Budget</u></b>	<b>YTD <u>Expended</u></b>	<b><u>Encumb</u></b>	<b>Available <u>Budget</u></b>	<b>Percent <u>Used</u></b>
Regular instruction	28,068,091	27,875,499	27,469,981.15	-	405,518	98.5%
Improvement of instruction	943,675	906,395	782,535.67	-	123,859.33	86.3%
Special services	4,162,949	4,163,537	4,035,563.50	-	127,973.50	96.9%
General & special administration	246,043	246,043	238,131.82	-	7,911.18	96.8%
Board of education	32,723	32,723	27,634.95	-	5,088.05	84.5%
Office of the superintendent	705,950	694,714	685,850.48	-	8,863.52	98.7%
Business administration	2,225,025	2,166,360	2,133,257.20	-	33,102.80	98.5%
Transportation	1,615,051	1,617,400	1,473,930.07	-	143,469.93	91.1%
Operation and maintenance of plant	3,808,090	3,808,090	3,596,943.76	-	211,146.24	94.5%
Adult Education	182,701	182,701	173,328.68	-	9,372.32	94.9%
Food Service Allocation	-	-	-	-	-	0.0%
Debt service	5,603,571	5,614,407	5,614,406.55	-	0.45	100.0%
<b>Total Education</b>	<b>47,593,869</b>	<b>47,307,869</b>	<b>46,231,563.83</b>	<b>-</b>	<b>1,076,305.17</b>	<b>97.7%</b>

<u>Selected Revenues</u>	<u>Estimated Revenue</u>	<u>Actual YTD Revenue</u>	<u>% Collected</u>
Excise Tax Collections	5,600,000	5,903,828	105.4%
State Revenue Sharing	837,993	850,349	101.5%
Rescue Revenues	900,000	900,000	100.0%
LRAP-Local Road Assist.	354,978	324,412	91.4%
Building Permits	425,000	583,848	137.4%
Investment Interest	41,500	733,671	1767.9%
Plumbing Permits	41,000	64,106	156.4%
Electrical Permits	57,000	70,639	123.9%
Education Subsidy	2,150,151	2,055,550	95.6%

**Town General Fund Revenues by Department**

Executive (TM, HR, TC)	544,936	318,058	58.4%
Fund Balance	-	-	0.0%
Finance	5,716,900	6,605,830	115.5%
Property Taxes	19,797,611	19,797,611	100.0%
MIS	505,425	512,636	101.4%
Planning	624,250	774,142	124.0%
Senior Programs	33,000	42,665	129.3%
Community Serv	2,149,836	2,259,141	105.1%
SEDCO	-	-	100.0%
Fire Dept	989,400	1,079,274	109.1%
Police Dept	797,981	860,371	107.8%
Public Works	1,553,568	1,254,857	80.8%
Debt	728,735	672,585	92.3%
Intergovernmental	2,914,243	2,915,004	100.0%
TIFs and Interfund Transfers	996,970	518,422	52.0%
	<b><u>37,352,855</u></b>	<b><u>37,610,597</u></b>	<b>100.7%</b>